WILLIAM J. CLINTON: The Next Great Battle of Ideas

SPECIAL SECTION
Politics 2002

THE NEW DEMOCRAT

BLUEPRINT

IDEAS FOR A NEW CENTURY

Are We Safe Enough?

How the Bush Administration has fumbled homeland security—

AND WHAT WE CAN DO ABOUT IT.

- WILL MARSHALL
- JOSHUA MICAH MARSHALL
- BRUCE REED & JOSÉ CERDA III
- STEVEN J. NIDER

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Homeland Insecurity

Even as President Bush was belatedly announcing his national strategy for homeland security at mid-summer, it was becoming increasingly apparent that Americans had little reason to feel safer than we did following the terrorist attacks nearly one year before. On the contrary, Americans were waking up to the fact that, despite early successes in the overseas war on terror, the administration's approach to homeland defense was characterized more by disarray than by coherent planning. The president has crafted a marketing plan for selling Congress a department of homeland security rather than offering clear guidance to cities, states, first responders—and even to the American military—in a time of terrorist threats. Little wonder that the press and politicians were taking the president severely to task in the heat of July.

We respectfully join that chorus. A key question is posed in this issue by Progressive Policy Institute President Will Marshall: Is Bush up to the job? Marshall examines our international posture and finds the Bush administration unprepared for the global political challenge—what he calls "the deadly game of cat-and-mouse"—that lies ahead. On intelligence collection and analysis, writer Joshua Micah Marshall (no kin to Will Marshall) shows us why the FBI is institutionally and culturally unsuited to the task at hand—saddled with a guns-and-cops mentality and a casework approach. And David J. Rothkopf, a former deputy secretary of commerce and Washington intelligence consultant, says that reforming Washington's intelligence community is hobbled by its own culture of secrecy and the lack of a redefined mission that includes creating a domestic U.S. intelligence agency—like every other country in the world.

Solutions are offered by DLC President Bruce Reed and DLC Senior Policy Adviser José Cerda III. They propose a new domestic division of defense (to be nicknamed "3D") and the strengthening of local law enforcement, the front line of homeland security. Their approach faces up to the obvious: terrorists will sometimes break through our border defenses and blend into our population. That's a key reason why we need a new domestic counterterrorism force dedicated exclusively to the job of preventing terrorism at home.

But beyond fighting terrorism on the ground, we must also wage a global intellectual battle to overcome the forces that produce terrorism. That challenge, argues former President Bill Clinton, is why we must win the next great ideas debate. Terrorism did not spring from nowhere; its wellsprings and roots, writes Clinton, lie in fundamental conflicts over inclusion, a shared future, and the ongoing search for truth.

Our essays are part of the continuing search for policies that are smart, effective, and fast. The national debate is driving the administration toward more concrete attempts to deal with the extraordinary challenge we face. We welcome such efforts; they come not a moment too soon.

—Peter Ross Range

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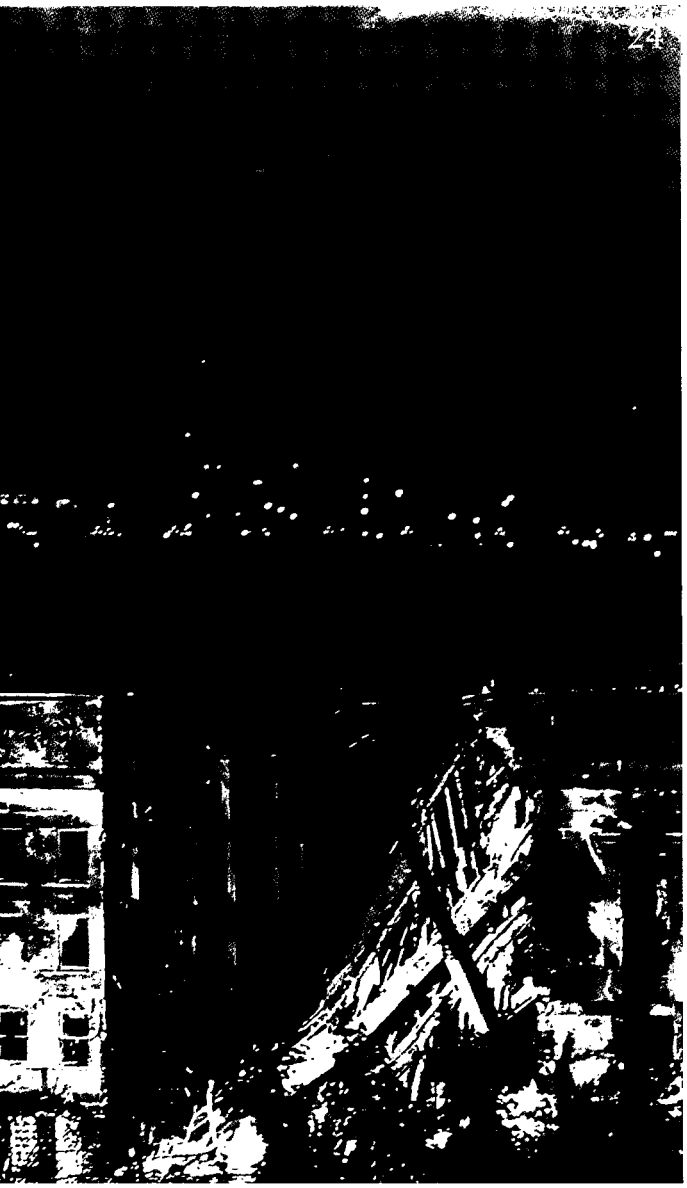

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Leadership Gap

The president has fallen down on homeland security and managing the economy, while showing a unilateralist disregard for allies. America needs better.

by **The Editors**

As the first anniversary of 9/11 approaches, it's increasingly clear that the United States needs a vigorous Democratic Party to complement and counter a confused and compromised Bush administration and a hapless, interest-group-driven GOP on a wide array of foreign and domestic issues.

At one of those rare moments when public responsibility and political opportunity almost perfectly converge, Democrats can do themselves and their country an enormous service if they are willing to stand proudly for leadership in the national interest.

There is unmistakably a "leadership gap" in Washington waiting to be filled.

The administration's one great success in the fight against terrorism, the military campaign against the Taliban and al Qaeda in Afghanistan, is beginning to look like an exception to a general rule of uncertainty and drift.

In the wider war against terrorism, the administration's policies are often at cross-purposes with the president's ringing rhetoric about a global struggle for democracy, human rights, and prosperity. Its foreign policies combine unilateralist contempt for our democratic allies with a dangerous reliance on Middle Eastern autocrats. Both mistakes reflect an atavistic domestic agenda on energy and the environment that makes Middle Eastern oil suppliers our indispensable friends and environment-conscious Europeans our disposable enemies.

The administration's record on homeland security has been and continues to be, as one security expert recently told *The Washington Post*, "a fiasco." After nine months of opposition, the president abruptly went on national television and endorsed a Democratic plan to create a cabinet-level Department of Homeland Security. But the administration continues to accept confusion and dysfunction in such critical areas as domestic intelligence-gathering and coordination of state and local government first responders. Indeed, the president still opposes the McCain-Lieberman proposal for a bipartisan, independent commission to investigate intelligence failures prior to 9/11.

Nor has the administration overcome its ideologically driven hostility to the idea of providing assistance to cash-strapped state and local law enforcement agencies, despite the availability of new technologies that could help not only deal with terrorist acts but reduce violent crime.

The president's economic record is an even bigger mess, guided by the most intellectually barren and market-insensitive policies since the Hoover administration.

While the fundamentals of the U.S. economy remain stubbornly strong, the administration is steadily undermining the 1990s policies that made it strong: fiscal discipline, open markets, technology and innovation, and investment in the knowledge and skills of the American people. Rather than continuing these successes, the administration is promoting huge long-term structural budget deficits that drain capital and sap confidence; imposing a broad array of new protectionist measures that cause market-closing foreign retaliation; refusing to deal with a host of issues affecting technology and innovation, from basic research to broadband development; and fighting against new investments to fund its own education reform initiative, along with other critical knowledge and skills needs.

The administration's only economic policy proposal has been a continuous and relentless effort to reduce taxes on the highest-earning Americans, whatever the cost and whatever the evidence that it is not working to help the economy as a whole.

While the president and his advisers have never come quite out and endorsed the hoary and discredited supply-side theory that marginal tax rates on high incomes is the philosopher's stone for creating economic growth, it's the only logical basis for their economic and fiscal policies. And if the failure of supply-side policies in the 1980s was not sufficient to bury this snake-oil theory forever, the current record definitely should. One year after Congress approved the supply-side Bush tax cuts that were supposed to produce an investors' paradise of new capital investments, the U.S. economy is undergoing a capital flight—a crisis of investor confidence in our eco-

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nomic management that has, so far, drained an estimated $2 trillion from equity markets, with a devastating effect on the financial and retirement security of millions of Americans, not to mention the ability of our companies to invest in new technologies and other productivity-enhancing measures.

Aside from the return of fiscal red ink and the insecurity associated with an uncertain fight against terrorism, this crisis of investor confidence is attributable to a corporate crime wave that the Bush administration is uniquely ill-equipped to police. The president's occasional speeches on the subject are similar to his occasional speeches on the wider war against terrorism: fine rhetoric disconnected from policies that run in very different directions. From its relentless drive for high-income tax favors and corporate protectionist concessions, to its support for corporate assaults on environmental regulations, campaign finance reforms, and the accounting reforms designed to stem the corporate crime wave—this administration, in its personnel, its ideology, and its policies, has largely abandoned the entrepreneurial capitalism that helped America boom in the 1990s in favor of a crony-capitalism that threatens economic growth today.

The Bush administration's failure of leadership goes well beyond its core foreign and economic policies. As noted above, its tax-cut-driven fiscal policies have led it to seek to sabotage the president's one significant domestic achievement, K-12 education reform. The same fiscal dynamics may soon lead the president to veto legislation extending the landmark 1996 welfare reform legislation, on the grounds that the federal government cannot afford the paltry sums necessary to give welfare recipients the child care and job support necessary to move millions of Americans into the mainstream private-sector economy. The administration's energy and environmental policies, as also noted above, are a domestic and international joke, based on the conservative fantasy of achieving energy independence through domestic oil production and the conservative denial of global climate change.

Despite rising numbers of uninsured people and rapidly rising health care costs, the administration has nothing to say on health care other than occasionally endorsing insincere congressional Republican measures to neutralize Democratic proposals on prescription drug benefits or HMO regulation. And despite his theoretical support for Social Security reform, the president, whose tax policies have drained the budget surpluses that might help finance either a continuation of current benefits or a reform initiative, has fallen silent on this issue as well.

The bottom line is that there are a host of issues on which Democrats can properly take issue with the Bush administration and the Republican Party without sliding back into the pre-Clinton stereotype of weakness on foreign policy, defense, security, fiscal discipline, or management of the economy. State-level Democrats are already successfully challenging Republicans across the country for the same blind and narrow policies championed by the president and congressional Republicans: fiscal indiscipline; a tax-cutting mania; corporate welfare; insufficient support for welfare reform, education and workforce development; inadequate access to quality health care; indifference to the environment, quality-of-life issues, road congestion and energy conservation; and short-sighted policies on crime and homeland security.

New Democrats should take the lead in advancing a national leadership agenda that includes *security, opportunity, responsibility, and reform.*

New Democrats should champion a security agenda that includes an aggressive pursuit of the wider war against terrorism, including multilateral efforts to promote democracy, tolerance, and economic growth in the Islamic world. They should also push for a truly comprehensive homeland security strategy that includes a new domestic intelligence agency and a coordinated state and local law enforcement initiative employing the best and latest technologies for fighting terrorism and rising violent crime.

New Democrats should champion an economic growth and opportunity agenda based on the successful strategies of the 1990s: fiscal discipline, open trade, support for innovation and new technologies, and investment in better education and skills.

That agenda should also focus on continuing and intensifying the great social accomplishments of the 1990s: reductions in welfare dependency, teen pregnancy, and crime and increases in real incomes, employment, homeownership, and business ownership.

And most important, New Democrats should champion a responsibility and reform agenda that restores confidence in the public and private sectors alike—from setting high standards and insisting that the corporate world play by the rules, to modernizing big public systems like Social Security and Medicare, to making sure Washington lives within its means and sets a good example.

BLUEPRINT'S cover package on **Homeland Security** begins on page 14.

If New Democrats do nothing more than create the political pressure for the Bush administration to continue purloining our proposals—as the administration has already done in education reform, national service, welfare reform, and reorganization of homeland security agencies—we will have served our country well. But New Democrats have the opportunity to lead the Democratic Party in a direction that will differentiate the two parties on a broad array of issues and re-establish Democratic strength on those very issues where Republicans now enjoy an undeserved advantage.

It's a matter of leadership, and New Democrats can once again show that good government is the best politics. To paraphrase George W. Bush's own litany in his 2000 speech accepting the Republican nomination for president: "They haven't led." But New Democrats can and should. ◆

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Produced by **Kate Herman**

Building the Third Way

At a London meeting, leaders of progressive politics outline the future of center-left renewal.

When proponents of the Third Way in Britain and America get together—as they have repeatedly during the past 10 years—the gathering always makes for a stimulating event with a high-octane exchange of ideas. So it was again in June, when the Third Way Foundation and the British-based Policy Network think tank organized a meeting at Hartwell House outside London. Speakers included Prime Minister Tony Blair and former President Bill Clinton, as well as parliamentarians and thinkers from America and Europe.

"Just because we're out of the White House doesn't mean we want the partnership between New Democrats and New Labour to end," said DLC President Bruce Reed. "It's one of the great political success stories of the last decade."

The June meeting included delegates from across Europe who count themselves members of the movement for center-left renewal—the Third Way. It took on particular urgency in the wake of a series of election losses by center-left governments on the continent. Just two years ago, 13 of 15 European Union nations were under center-left leadership. Today Britain and Germany are the only ones left, and Gerhard Schroeder's government in Berlin was showing weakness in mid-summer polls for upcoming parliamentary elections.

"The purpose of this meeting was to take stock and look at the phenomenon of center-right victories, to glean lessons from setbacks, and to look at the one success story that still remains: Britain," said Will Marshall, president of the Progressive Policy Institute. "The discussion of how to modernize and change direction both at home and in Europe was at the forefront of our conversations."

Al From, founder and CEO of the DLC, noted that a key challenge to the movement 10 years after winning a U.S. presidential election was "how to build on our success." It was easier, From noted, when "what we had to do was say what we weren't."

1 HIGH-POWERED GATHERING: The meeting outside London drew delegates from across Europe and the United States, including British Prime Minister Tony Blair, former President Bill Clinton, DLC Founder and CEO Al From, Lord Michael Levy, Wisconsin Rep. Antonio Riley, and former White House economic adviser Gene Sperling.

For former President Clinton, the most important challenge facing the Third Way is winning the next great battle of ideas. He laid out for the 50-plus delegates to the conference a critique of the international security situation that emphasized taking the lead in today's fundamental debate over values, inclusion, a shared future, and the search for truth. He later adapted his remarks for BLUEPRINT (see "The New Ideas Battle," p. 36).

Success, paradoxically, may have contributed to defeats in Europe, argued French economist Jean Pisani-Ferry, who was a close adviser to defeated French Prime Minister Lionel Jospin. The "paradox of success," as Pisani-Ferry explained it, was that progressive parties governed successfully but were toppled by such "exogenous forces" as the U.S. recession, the shock of Sept. 11, and the ensuing backlash of fear about immigration and crime.

The insecurities unleashed by such fears, and the perceived threat of globalization, were the subject of a discussion led by Britain's Chancellor of the Exchequer Gordon Brown. Third Way parties, he said, must avoid resorting to protectionism and instead stimulate New Economy growth, empower workers with lifelong education, pro-

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FIGHTING THE IDEAS BATTLE: 2 Clinton led a discussion of global conflict and the coming battle of ideas. 3 Blair, shown with BLUEPRINT Advisory Board Chair Bernard L. Schwartz, said Third Way parties have "the best ideas."

mote wealth-building tools for everyone, and enhance the role of communities, not just the centralized state.

Do election losses in Europe mean the Third Way has spent its energy and ideas? Hardly, concluded the conference participants. As Will Marshall writes in this magazine, even the center-right governments that have replaced those of the center-left are paying the movement the compliment of imitation (see "Third Way will rise again," p. 39). ●

REGENERATION: 4 DLC Vice Chair Rep. Ellen Tauscher argued for continuing reform among center-left parties. 5 British Chancellor of the Exchequer Gordon Brown stressed the importance of New Economy growth and worker empowerment. 6 The conference was sponsored by Constance J. Milstein in honor of her late father, Seymour Milstein.

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Eva Moskowitz

Tackling New York City schools from the ground up.

Eva Moskowitz's political home on the Upper East Side of Manhattan is known for its high-class living and upscale shops. Yet the area that is rich in private schools and boasts high rates of college attendance has for decades lacked a much-needed public high school for middle- and working-class teenagers with college aspirations. Through determined activism and a commitment to diverse educational opportunities, Moskowitz—a member of the New York City Council—found a site and founded the neighborhood's first new public school in 30 years.

"There is a school in our district that serves teenage mothers and also a vocational school, which I strongly support," says Moskowitz, who chairs the city's education committee. "But until now, there was no school for learning Latin or AP [advanced placement] calculus. I was determined to change that."

Described by colleagues as a hands-on politician, Moskowitz put her can-do philosophy to work on the school project.

"I put my two-year-old in the car and we drove around, writing down the address of every empty building and vacant lot in the neighborhood," she recalls.

When she saw people moving boxes out of an old warehouse owned by Sotheby's auction house, she started making the necessary phone calls to secure funding.

The result: Eleanor Roosevelt High School—a public, college preparatory academy—will open in September, adding a needed layer of school competition, Moskowitz says. Known for supporting school choice through charter schools and other means, she believes competition is an essential component in boosting New York City schools' performance levels, which have been very poor.

"I would argue that charter schools are the most important educational innovation on the horizon, because they promote a certain deregulated vision," she says. "In New York City, our public schools operate under 11 volumes of regulations that don't apply to charter schools."

Never one to shy away from opposing the status quo, Moskowitz cheered the council's decision earlier this year to award Mayor Michael R. Bloomberg control of the city's 1,200 public schools. As a product of New York City's public school system herself, she criticized the city's former educational management strategy as a "dismal failure on many levels."

"Anything would be better than what we had," the councilwoman says. "The blame game consumed an enormous amount of energy and became a sort of political sport that everyone was forced to watch."

She believes mayoral control will instill an increased sense of responsibility from the top down, since the city's leader now is personally invested in the schools' success.

"Why should education, which is no less important than policing or social services or other top priorities in the city, not be under the mayor's managerial authority?" she asks.

Though she applauds Bloomberg's eagerness to take control of the ailing school system, Moskowitz has been discouraged by some of the mayor's budgetary moves since the power shift. Already this spring, the city council had to fight to counter the mayor's proposed $358 million cut in education funding, reducing the cut to only $60 million. That allowed a substantial boost in starting salaries of the city's newest teachers, from $31,000 to $40,000.

With two success stories in her pocket—the new teacher contract and the long-awaited college-prep school—Moskowitz has her sights set on the first day of school this fall, when she and other reformists will tackle the next round of challenges. ◆

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Jack Markell

Jack Markell
Delaware State Treasurer

d, a 68-year-old Delaware retiree, was stunned to learn that most of his retirement funds were poorly invested, earning far below their potential. Thanks to a free class offered by the Delaware Money School—a nonprofit program founded by State Treasurer Jack Markell—Ed was able to take control of his funds for a better return on their investment.

Ed is one of thousands of Delawareans who have benefited from the innovative program that offers free classes on a wealth of topics, such as retirement planning, home-buying strategies, and college funds.

"I think what government is really about is giving people tools," says New Democrat Markell. "It's not about handouts. It's a way the community can help individuals who have these needs."

The Money School got its start in elementary school teacher Ronni Cohen's classroom, where students learned about money management with the help of a banker who visited the class weekly to accept deposits. In June, Cohen retired from teaching to become the executive director of the new Delaware Financial Literacy Institute, the nonprofit organization that supports the Money School.

Having raised $250,000 to fund the school—whose classes are hosted by schools and institutions across the state—Markell called upon the state's large contingent of financial professionals to volunteer their services. These bankers and brokers have offered both group sessions and one-on-one attention to more than 5,000 students, from young people to retirees.

"People in this line of work really enjoy talking about money and what you can do with it," says Markell, who encourages other states to adopt volunteer-based programs for the good of the community. "The more people know about what to do with their money, the better it is for the financial industry at large." ◆

Antonio Riley

Antonio Riley
State Representative, Milwaukee, Wis.

ike many programs, mandatory busing to achieve school integration "seemed like a good idea at the time," says state Rep. Antonio Riley of Milwaukee. But with the busing program running a $30 million annual tab and his city's neighborhoods a shambles, Riley knew the time had come for a new idea. That's why he came up with the Neighborhood Schools Initiative, a $270 million plan to build new schools and refurbish older ones anchored in the city's neighborhoods.

"Schools were not lighthouses of their communities, focal points that parents could rally around," the New Democrat recalls. "Forced racial busing really just tore neighborhoods apart. I hated the idea of taking kids out of their own neighborhoods and sending them to an equally crowded school across town—where's the sense in that?"

Over the loud objections of the NAACP—not to mention much of Wisconsin's Democratic caucus—Riley secured $170 million in state funding for new school construction. Using 20-year bonds guaranteed a long-term commitment from the state, he says. Local businesses and faith-based groups also raised an additional $100 million for the project.

The results—including extended after-school hours, new buildings, and a wide spectrum of community support—have surprised even those who were concerned that Riley's plan would lead to state-sponsored segregation, he says.

"It was contentious," he says, "but people are coming around." ●

Greg Meeks

ducating the next generation to keep up in the New Economy is a year-round pursuit in Queens, N.Y. Nearly 600 students there are forsaking the local swimming pools for three weeks to learn about space, science, and other high-tech topics. The federally funded program is part of U.S. Rep. Greg Meeks' commitment to arm younger members of his predominantly minority district with the knowledge they need to be successful in a tech-heavy world, he says.

Rep. Greg Meeks
New York

"I think our country's current education system is still geared toward the 20th century," says Meeks, who credits New Democrats with being at the forefront of the New Economy movement. "We need to focus on updating the curriculum, so as we get more involved in this global economy, our kids know what it takes to succeed."

In 1999, Meeks brought the Science, Engineering, Mathematics, and Aeronautics Academy—known as SEMAA—to his district, using York College in the Jamaica neighborhood as the host school. Designed by NASA, the tuition-free program holds Saturday sessions throughout the school year in addition to three-week sessions over the summer. More than 1,800 Queens students in third through eighth grades have participated, and 85 percent now say they are more likely to pursue science as a career.

In an area where less than half the households have Internet access, Meeks strives to bridge the digital divide through educational programs like these and others that draw on community-based resources, such as JFK International Airport.

"There is a part of our community that's really neglected," Meeks says. "We have to remember that." ◆

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Prescription Drugs for Disease Management

Even as Republicans in the U.S. House of Representatives pushed through their wrong-headed version of a prescription drug benefit in June, North Carolina was already leading the way with its own prescription drug plan.

In late 2001, North Carolina's New Democrat Gov. Mike Easley decided his state would begin addressing the problem. "We have waited on Washington long enough. North Carolina is ready to move forward to assist seniors with the rising cost of prescription drugs," he said.

But North Carolina does not have the resources to provide universal prescription-drug benefits for all of its seniors. That's why federal action remains critical.

Easley designed a plan for his state that effectively uses limited dollars to deal with the most acute problem: low-income seniors who need prescription drugs to treat serious, chronic diseases.

Tapping the $35 million allocated by the state's Health and Wellness Trust Fund, North Carolina will cover medications used to treat three diseases—cardiovascular disease, diabetes mellitus, and chronic obstructive pulmonary disease—for all seniors with an income of up to 200 percent of the federal poverty level. The benefit will cover 60 percent of drug costs up to a cap of $1,000 per year.

Roughly 100,000 residents of the state could benefit from the plan.

The plan also includes an aggressive program of patient, physician/nurse, and pharmacist education to integrate the new drug benefits into a broader system of disease management. A rapidly spreading movement in the health care field, disease management encourages health care professionals to enable patients to follow treatment plans and care for themselves, improving their overall health while also reducing the number of emergency room visits, hospitalizations, and nursing home enrollments.

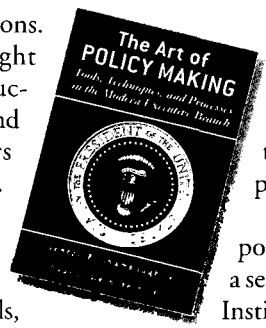
In addition, the program will assist seniors who need help choosing among the many different prescription discount plans offered by pharmaceutical companies.

As drugs have become radically more important in the nearly four decades since Medicare's enactment, the debate over prescription drugs sometimes sounds like little more than an effort to help seniors pay for a living expense. But in fact it is part of an effort to refocus Medicare—and our overall health care system—on quality services and healthy outcomes for seniors.

BOOKS

The Art of Policymaking: The Tools, Techniques, and Processes in the Modern Executive Branch *by George E. Shambaugh IV & Paul J. Weinstein Jr.* • Allyn & Bacon/Longman • 190 pp. • $26.00

Here at last is an easy-to-understand guide to the policymaking apparatus of the executive branch. While most public policy books are theoretically based, this one focuses on the nuts and bolts of the process and the experiences of those who have worked through it. It is punctuated by the insights of policymakers in the past three administrations. Their stories highlight both problems and successes to help current and future policymakers avoid the same pitfalls.



In providing students and practitioners alike with an introduction to the tools, techniques, and processes used to make policy in the federal government, the authors identify key individuals in the executive branch and the roles they play in the policymaking process. Numerous case studies based on real-world situations illustrate how these tools are used and how these individuals interact throughout the policymaking process.

Weinstein, a former domestic policy adviser to President Clinton, is a senior fellow at the Progressive Policy Institute, and Shambaugh is a professor at Georgetown University. Their book is not only for individuals who want to learn about government but for those who want to work in it.

Where to get it: www.ablongman.com

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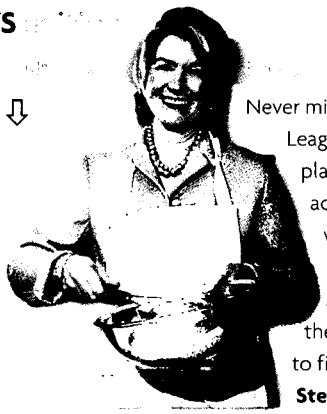
THE INDEX

by **BRUCE REED**

A Diary of the Progressive Opposition

DOG DAYS

Capitalism ⇩



Never mind Major League Baseball players—it's accountants who've been taking all the steroids. Now the only place to find **Martha Stewart** prints is at the SEC.

Vouchers ⇔ Supreme Court's 5-4 decision makes Bush say V-word for the first time. Another landslide for the Bush agenda.

God ⇔ Ninth Circuit has Dukakis flashback, says "one nation under God" is unfair to Zeus. Both parties agree 50 million schoolchildren can't be wrong.

Global Warming ⇧ Bush blames "the bureaucracy" for saying climate change is real, and he promises not to do anything about it. New pledge: one nation under water.

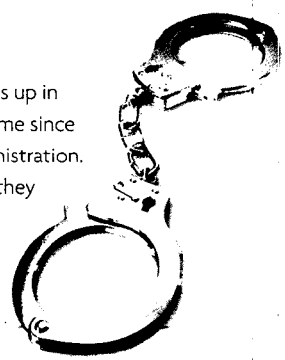
Work & Family ⇔ As Karen Hughes jumps ship, Bushies worry Karl Rove will have too much influence. First sign: tax cut for voters in swing states.

Homeland Security Dept. ⇧ White House steals another New Democrat idea. Bush's next secret plan: Dump Cheney for Lieberman.

Responsibility Era ⇩ GOP brings back golden oldies: 1970s economy with 1920s ethics. Bush-Cheney defense: "At least we made money on our scandals."

National Debt ⇧ Bush keeps promise to be America's CEO, loses $5 trillion in first year, even though we only pay him $400,000 salary. Who says government can't be more efficient than the private sector?

Crime ⇧ **Crime** rate goes up in 2001 for first time since last Bush administration. So that's what they meant by the revolving door!



Politics ⇧ Secret White House power point identifies **Bush** coalition: "Base, Coal & Steel, Farmers, Ranchers." Rove's motto: If you can't pander to the one you love, then pander to the one you're with.

INTERNET TOOLS

Education Commission of the States

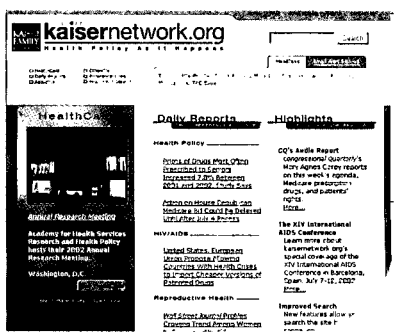
ECS publishes *e-Clips*, the nation's top education news daily; "e-Connection," a weekly bulletin covering state policy trends, reports, and events; and "Governance Notes," a bimonthly look at education governance. The group analyzes current and emerging issues to keep policymakers up to speed.

Where to get it: www.ecs.org

The Henry J. Kaiser Family Foundation

This site follows health policy as it happens. The Kaiser Network provides a daily health policy report as well as HealthCast, a web-casting service that streams live coverage of events with a searchable archive.

Where to get it: www.kaisernetwork.org



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A better way to get back to work

A one-stop shop and an innovative funding approach are helping Denver's unemployed population.

Bureaucratic hassles can bar many working-poor families from seeking critical benefits such as child care, food stamps, and Medicaid. They're often deterred by too many separate application processes, long waits for service, and trips to multiple offices to get the benefits they need and qualify for. But that's changing in Denver, where officials have streamlined various application and funding processes to cut through red tape and get more benefits to households in need.

The Mayor's Office of Workforce Development now offers, under one roof, an opportunity for working families to apply for a variety of benefits, including employment training and other job services, with minimal paperwork.

"We've heard time and again how convoluted and inaccessible the process is for qualifying for and receiving work support assistance," says Shepard Nevel, the office's executive director. "These are programs designed to help get people back in the driver's seat, whether they are laid-off, high-skilled workers or low-income families trying to make a clean start."

Visitors to the one-stop shop may also apply to receive Denver's local earned income tax credit, or EITC, which supplements the wages of low-income workers. This year, 6,000 families received an average refund of $425 from the local credit.

By piggybacking on the federal EITC application process, the city has reduced overlapping paperwork for its own local EITC applications by 95 percent. Further, it has used flexible funding from the federal welfare program—Temporary Assistance to Needy Families, or TANF—to fund the local EITC, earning national recognition for creative use of federal assistance.

"We approach [public assistance] like a tiny business: Sometimes you have to do more with less," Nevel says.

In addition to financial assistance, Denver's workforce center features registration for Quick Start, the city's innovative skills-training program. Using TANF funds for tuition assistance, the program offers classes for health care, trade, and industry jobs to help people rejoin the workforce. Employee and education specialists work for both the college and the city—an overlap unique to Denver, Nevel says.

"It's particularly good for low-income or laid-off people who aren't coming right out of high school but still need that opportunity," he says. "We have tried to 'workforce-ize' our welfare recipients rather than 'welfare-izing' our workforce system." ◆

WORKING IT OUT: More than half of the visitors to the Mayor's Office of Workforce Development are laid-off tech workers.

DIGIgov

Best practices from the world of online government

In California, 12.4 million people speak a language other than English at home. But because basic English proficiency is essential for life and work in the United States, California is using technology to expand these skills. Under the 1998 Adult Education and Family Literacy Act, the state Department of Education created the California Distance Learning Project (CDLP), a pilot program to explore the possibilities of online distance learning for adult education.

After CDLP attracted both local users and students from more than 60 countries, the U.S Department of Education granted California funding to expand its pioneering work. This year, the Sacramento County Office of Education, the Los Angeles Unified School District, and two nonprofit education groups created an Internet-based program called **Cyberstep** (www.cyberstep.org). Its main Web site includes links to the program's other sites, which offer both basic adult education and lessons in English as a second language (ESL).

Created as a resource for more than 2 million adult education students in California, Cyberstep's programs are available for free to any of the school districts, community groups, prisons, community colleges, and churches that provide adult and ESL education in America. The program's developers hope Cyberstep will serve as a model for other states and agencies.

— *Kevin Croke*

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Reforming school reform

rian is a seventh-grader at the public charter middle school that I run in Detroit. A year ago, he exhibited the look and behavior of the majority of kids in the city who don't make it to the 12th grade. He learned little and acted out a lot.

Then, last fall, his teacher discovered that Brian has a talent for mathematics. She quickly enrolled him in a Saturday math program run by Wayne State University. Brian became the star of the math program. At graduation he presented, without notes, a mathematical proof worthy of "A Beautiful Mind." Now he talks about someday winning a college scholarship.

What made the uncovering of Brian's skills possible were his school's small class size and a new one-student-at-a-time approach. This model allows each teacher to shepherd a small group of students—no more than 15—throughout their high school careers. The problem is that even after two decades of urban school reform efforts, Brian's school is the exception, not the rule. That's why only 4,600 students are enrolled as seniors in the Detroit public school system from a freshman class that began with 15,000 students four years ago.

The root of the problem appears to lie in a misguided attempt during the past 20 years to reform middle schools and high schools that are saddled with one-size-fits-all learning strategies, large class size, student anonymity, and lack of meaningful student connections to adults in school and in the outside world. This well-meaning undertaking resembles Detroit's initial response to the Japanese auto invasion of the late 1970s. As it became clear to the Big Three that Toyota and Honda were building better cars, the first understandable reaction in Detroit was to reform the old Henry Ford mass production system that had served the U.S. industry so well. Yet within a couple of years Chrysler was bankrupt, Ford was on the verge of bankruptcy, and General Motors was living off stored fat. Each firm soon abandoned its efforts to *reform* its obsolete mass production system. Instead, they sought to *replace* it with a new, more flexible worker-managed system as the price of survival.

It is long past time for urban education leaders to abandon their efforts to make mass standardized middle and high schools work better. Instead they should opt for new, smaller, more personalized schools designed to keep kids in class and to prepare them for post-secondary studies.

Today's urban schools are like mass-production factories of the Industrial Age. They usually offer only one learning approach: acquiring skills and information through a textbook while sitting quietly at a desk. Yet this is the preferred learning style of no more than 20 percent of the population. This model offers the same material, on the same day, in the same way to each child of similar age regardless of the student's skill level, learning style, maturity, and interests. That is why the mainstays of school reform—more testing, teacher training, longer school days, smaller class size—have had so little effect.

Community expectations that every student be able to read, write, and employ mathematics to certain measurable standards by the end of high school are reasonable and necessary. However, the notion that all kids will achieve these levels at the same time and in the same way results in a forced learning march that breeds failure and dropouts.

Fortunately, a number of urban public high schools have been testing replacement models with encouraging results—graduating 90 percent of their urban students from high school and sending 90 percent or more of these graduates on to college. While differing in a multitude of ways, these schools possess three common innovative features:

Each student is provided an enduring one-to-one relationship with an adult in the school. This ensures that there is always a competent, caring teacher who knows the student well enough to supervise and support him or her.

Schools are kept small to eliminate anonymity and prevent teens from slipping through the cracks. School size ranges from 120 to 400 students.

Learning is individualized. Skills to be mastered are specified and measured. But the path to competence is personalized through the use of projects and internships in the real world that take into account the individual student's passions and preferred learning styles.

Is this the only promising replacement model for our failing urban high schools? Certainly not. But schools with a one-student-at-a-time philosophy provide evidence that a goal of 90 percent graduation and 90 percent college enrollment for urban kids is attainable even as it is out of reach of the current traditional factory-school model. ◆

Doug Ross is principal of University Preparatory Academy, a public charter school in Detroit. He served as assistant secretary of labor in the Clinton administration.

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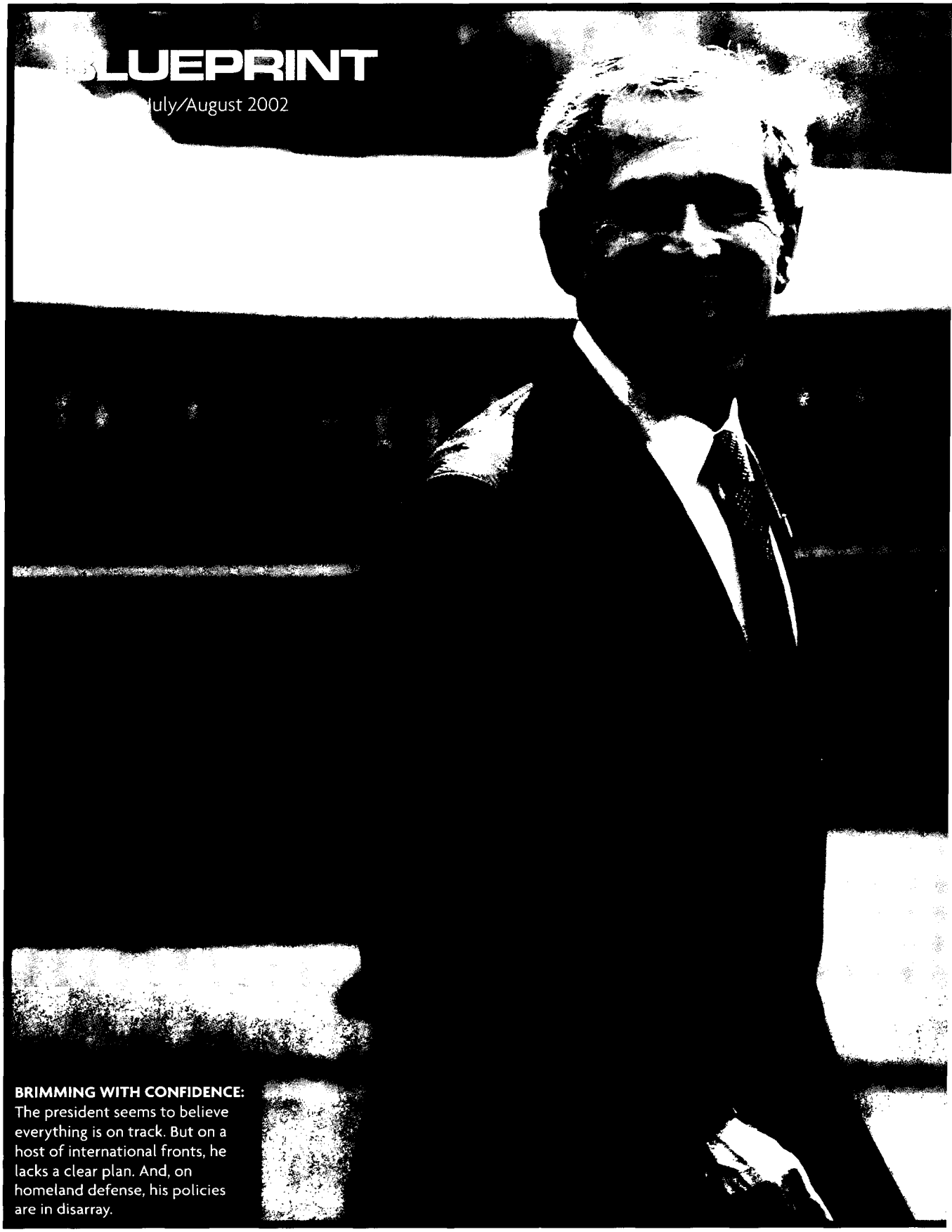
BLUEPRINT
July/August 2002



BRIMMING WITH CONFIDENCE: The president seems to believe everything is on track. But on a host of international fronts, he lacks a clear plan. And, on homeland defense, his policies are in disarray.

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Phase II in the War on Terror: Is Bush up to the Job?

Now comes the battle of ideas and intelligence. The administration badly needs a coherent strategy.

by **Will Marshall**

As the war on global terrorism enters a new phase, Democrats have an opportunity—and a duty—to find their voice on national security. With the battle of Afghanistan over, the Bush administration has no coherent strategy for winning the deadly game of global cat-and-mouse that lies ahead.

The United States will win phase two not with smart weapons, but with smart people who gather and sift intelligence. They face three big tasks: Uncover tiny terrorist cells spread around the world; prevent a dangerous fusion of terror networks and rogue regimes bent on acquiring nuclear, biological, and chemical weapons; and dramatically improve our ability to prevent terror attacks in our homeland.

Also essential to victory is a long-range strategy for changing the conditions that breed terrorism. As Sen. Joe Lieberman (D-Conn.) has said, the United States needs not only to drain the terrorist swamp but to "seed the garden." Lieberman added: "[The United States should] launch a long-term geopolitical and ideological initiative—akin to the great campaign that won the Cold War—to combat the despotism, poverty, and isolation that terrorists exploit. If we don't help Islamic nations affirmatively choose the path of progress and peaceful coexistence by actively encouraging political reform, economic advancement, and cultural integration, the conditions that enabled yesterday's terrorists to kill 3,000 Americans will spawn many more and even worse threats to our nation and people in the future."

Despite its success on the military front, the Bush administration has done little to prepare the United States to win the coming battle of intelligence and ideas. Its constant warnings of imminent terror attacks have succeeded mainly in rattling Americans

Continued on page 16

Will Marshall is president of the Progressive Policy Institute.

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W. Marshall, *continued from page 15*

rather than reassuring them that their government has a coherent plan for enhancing homeland security. The White House's color-coded warning scheme has been more an object of derision than a guide to security. It took President Bush nearly nine months to agree with Democrats that we do need a new Homeland Security Department after all, and the White House still hasn't offered a coherent plan for organizing an effective domestic intelligence system.

When it comes to winning hearts and minds in the Muslim world, the president's rhetoric seems decoupled from his administration's policies. The United States, he has said, is fighting to vindicate the "non-negotiable demands of human freedom," but that hasn't kept the administration from cozying up to "moderate" Arab regimes that keep those demands under a tight lid. Apart from a boost in foreign aid spending, there's no sign of a clear U.S. policy aimed at expanding the benefits of economic and political freedom to the Muslim world. In the meantime, the White House's penchant for unilateralism—on everything from its decision to withdraw from the Kyoto climate change treaty to its stance on nuclear testing and missile defense and, lately, international trade—has alienated even close friends and made it harder to win international backing for U.S. aims, like defanging Saddam Hussein.

NEW WORLD, NEW WAR

continues BLUEPRINT'S examination of the war on terrorism, at home and abroad.

The administration's contradictory responses to the latest wave of Arab-Israeli violence also have not inspired confidence. At first, the White House stood aloof even as the cycle of terrorism and retaliation spun out of control. When it finally intervened, it muddied the moral clarity of America's war on terror by demanding, in effect, that Israel not retaliate against barbarous attacks on unarmed civilians. After declining in April to call for a change in the Palestinian leadership, saying in effect that it was none of America's business, Bush did an about-face in June, calling just such a change an essential precondition for progress toward a negotiated settlement of the crisis. And while his demand that Palestinian leaders unequivocally renounce terrorism and adopt democratic reforms was welcome, the president seemed not to notice the irony of his proposal that neighboring Arab autocracies oversee and facilitate Palestine's transition to democracy.

Against the backdrop of this mounting record of inconsistency and incoherence, the time has come for Democrats to step forward with a distinct strategy of their own, grounded in the party's venerable tradition of tough-minded internationalism, for making our country more secure.

That tradition, shaped in opposition to Republican isolationism, saw America through the biggest crises of the 20th century, including two world wars, the reconstruction of Europe, and the Cold War. From Wilson to Truman and from Kennedy to Clinton, Democrats have understood that America's vital interests are best advanced in a context of widely shared values—liberty, democracy, free markets—and alliances that promote collective security and prosperity. This is why Democrats led the way in establishing the strong web of international institutions—the United Nations, NATO, the World Trade Organization—that underlies international security, cooperation, and the rule of law more than a half-century later.

Instead of being mesmerized by President Bush's high poll ratings, Democrats can and should make a forceful case that strategies based on progressive internationalism, not conservative unilateralism, can best ensure Americans' safety today. That case would start by highlighting the damage that the administration's go-it-alone stance is doing to our nation's interests.

Losing friends and influence. Few Americans will ever forget the candlelight vigils and expressions of solidarity that poured into our country after Sept. 11. Much of that good will dissipated, however, after President Bush's bellicose "axis of evil" speech to Congress in January. Hailed by conservatives as a beacon of moral clarity, the president's remarks actually spread confusion and alarm among our NATO partners, who feared that the United States was trying to drag them into some vaguely defined global crusade against "evildoers" designated exclusively by Washington. Intended to win support for U.S. efforts to oust Saddam Hussein, the speech had the opposite effect.

German Foreign Minister Joschka Fischer, a key U.S. supporter, warned that "the international coalition against terror is not the foundation to carry out just anything against anybody. ... All the European foreign ministers see it that way. Throwing Iran, North Korea, and Iraq into one pot. ... Where does that lead us?"

In addition, the administration reinforced its Lone Ranger image by choosing not to offer European forces (excepting the British) even token roles in the fighting in Afghanistan. While defensible from the standpoint of military efficiency, this snub revealed a less than deft hand at managing alliance politics.

On economic as well as security matters, the White House has shown a cavalier disregard for the interests and sensibilities of friendly countries. President Bush's decision to slap a 30 percent tariff on steel imports incensed America's trade partners—in addition to hitting America's steel-consuming industries with higher prices, falling orders, and widespread layoffs. The Russians have already retaliated, and the European Union is threatening to follow suit.

President Bush also signed the most expensive farm bill in U.S. history, a decision that undercuts America's abiding interest and traditional leadership in liberalizing trade. Having just doubled its own agricultural subsidies, the United States is hardly in a position to go to the WTO and demand that others lower theirs.

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In short, by pursuing a parochial and narrowly selfish course in international affairs, the Bush administration is doing more to undermine than advance America's vital interests. As President Clinton understood, no country has a greater economic interest than the United States, the world's biggest economy, in expanding trade within a system of common global rules. Recognizing that international cooperation is equally vital on security matters, Democrats would seek to forge an "axis of allies" that would amplify our power, extend our reach around the world, and invest our cause with greater international legitimacy.

Standing small for democratic values. Even when other countries resent America's power, they often admire its ideals. The principles on which our country was founded, individual liberty and democracy, have enormous global appeal and are integral to what Joseph Nye has called America's "soft power."

Yet the Bush administration has squandered America's soft power by failing to stand up for America's democratic values. For example, when Venezuela's elected leader, Hugo Chavez, was briefly ousted in a military coup, the administration's initial, telling reaction was to cheer the fall of a U.S. critic in an oil-rich state rather than deplore the mugging of democracy.

The president's eagerness to cultivate close relations with Saudi Arabia offers another case in point. The events of 9/11 call for a serious re-evaluation of U.S. relations with the desert sheikdom, home to 15 of the 19 Sept. 11 hijackers, not to mention Osama bin Laden. Saudi Arabia is essentially a fundamentalist state that lavishly finances the global export of its austere brand of Wahhabism, including the madrasahs, or religious schools, in Pakistan that produced the Taliban. The official Saudi press is filled with anti-Semitic slurs, its television stations sponsor charity telethons for the families of Palestinian "martyrs," and, at a recent Arab League summit, Saudi diplomats ostentatiously made up to Saddam Hussein's thuggish regime.

None of this, however, has shaken the White House's conviction that Saudi Arabia is a pillar of "moderation" and "stability" in the Middle East. In fact, it has extravagantly praised Saudi cooperation in the war against al Qaeda as well as U.S.-led efforts to broker a truce between Palestinians and Israelis.

> Instead of propping up the **status quo** in the Middle East, the United States should **champion** human rights, political and economic reform, and, eventually, representative **democracy** in the Arab world.

Many around the world see this tendency to put "strategic stability" over our own values as rank hypocrisy. Democrats should unhesitatingly put America's core values front and center in America's foreign policy. Instead of propping up the status quo in the Middle East, the United States should champion human rights, political and economic reform, and, eventually, representative democracy in the Arab world. As R. James Woolsey, CIA director in the first Clinton administration, has said, instead of trying to appease vulnerable autocracies like Saudi Arabia and Egypt, the United States should take "the side of those whom they most fear—their own people."

AUSTERE EXPORT: The Bush administration should challenge the spread of Saudi Wahhabism to religious schools like this madrasah in Pakistan.

Prolonging America's oil addiction. The Bush administration's soft spot for Saudi rulers is also a reflection of its petro-centric energy policy. After Sept. 11, the White House invoked national security as a reason to open Alaska's Arctic National Wildlife Refuge to oil drilling. Yet upping domestic oil production a smidgeon would do little to promote U.S. energy security. The stubborn fact is that the United States holds only 3 percent of the world's oil reserves. No matter how fast we drain America, our dependence on imported oil can only grow.

The real path to energy security lies in ending America's addiction to oil. The best way to kick the habit is to accelerate the adoption of promising new energy-generating technologies and fuels, such as

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W. Marshall, *continued from page 17*

hybrid cars and hydrogen-based fuel cells whose only by-product is water. While the big auto companies are investing in fuel cell vehicles, it will take a strong push from the government to stimulate market demand and fast-forward America into the hydrogen economy.

Prominent Democrats such as Sen. John Kerry of Massachusetts and Rep. Dick Gephardt of Missouri have called for a crash national program, akin to the Apollo moon shot, to compress the time it takes to move these new technologies into mass production. When we see SUVs powered by hydrogen fuel cells tooling down our highways, we'll know that America is making real progress toward energy independence and reducing the leverage that oil-producing states have on our foreign policy.

No long-range vision. Finally, while the Bush administration has focused intently on the immediate task of destroying al Qaeda, it has yet to craft a long-range strategy for preventing the emergence of new terror threats.

To paraphrase Britain's Tony Blair, we need a strategy that's both tough on terrorism and tough on the conditions that breed terrorism. The "evil" that President Bush summons the world to fight doesn't come out of nowhere but flourishes in a particular environment of repression, poverty, corruption, and cultural resentment. Over the long haul, our success in suppressing terrorism hinges on our ability to change that environment.

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Democrats have long understood that our nation has a responsibility as well as an abiding interest in shaping an international environment more congenial to our vital interests and our core values. In fact, progressive internationalism is based on the insight that for America to be safe, the world has to change.

Today, that means integrating the Muslim world into the new system of globalization that defines the post-Cold War world. To counter the apocalyptic appeal of the holy warriors, the United States and its anti-terror partners should champion a path that leads to more rapid growth, rising living standards, and greater individual liberty. We should press governments to open their economies and integrate into the dynamic global marketplace, and we should put human rights and dignity at the center of our diplomatic relations with the Muslim countries.

Fixated on stability, power, and a narrow conception of American interests, conservatives are unlikely to shape a grand strategy for winning the battle for the hearts and minds of people throughout the Muslim world. That's why it's time for Democrats, with their internationalist outlook and appreciation of the power of America's values, to step into the breach. ●

A Failure to Communicate

Intelligence analysis is an oxymoron at the FBI. But help from the CIA is not the only answer.

by **Joshua Micah Marshall**

As Congress wrestles with President Bush's proposal for a sweeping reorganization of government for homeland defense, let's not lose sight of the fundamental reality: The war on terrorism will be won or lost in the nation's intelligence and counterterrorism agencies. With its noisily aggressive domestic reform proposals—paired with law enforcement tactics that push the envelope of constitutionally protected civil liberties—the White House has opened a two-front war on terror. Yet these efforts may be beside the point. In terms of intelligence and counterterrorism, says counterterrorism expert Neil Livingstone, the president's proposals "are at best marginal kinds of changes." The Bush administration has been happy to pick fights with the American Civil Liberties Union. But the White House has only tip-toed up to critically needed reforms at the FBI and other intelligence and counterterrorism agencies.

On information sharing, the White House has called for an enhancement of the FBI's analytic capabilities—

Joshua Micah Marshall is a writer living in Washington, DC. His opinions appear regularly at talkingpointsmemo.com.

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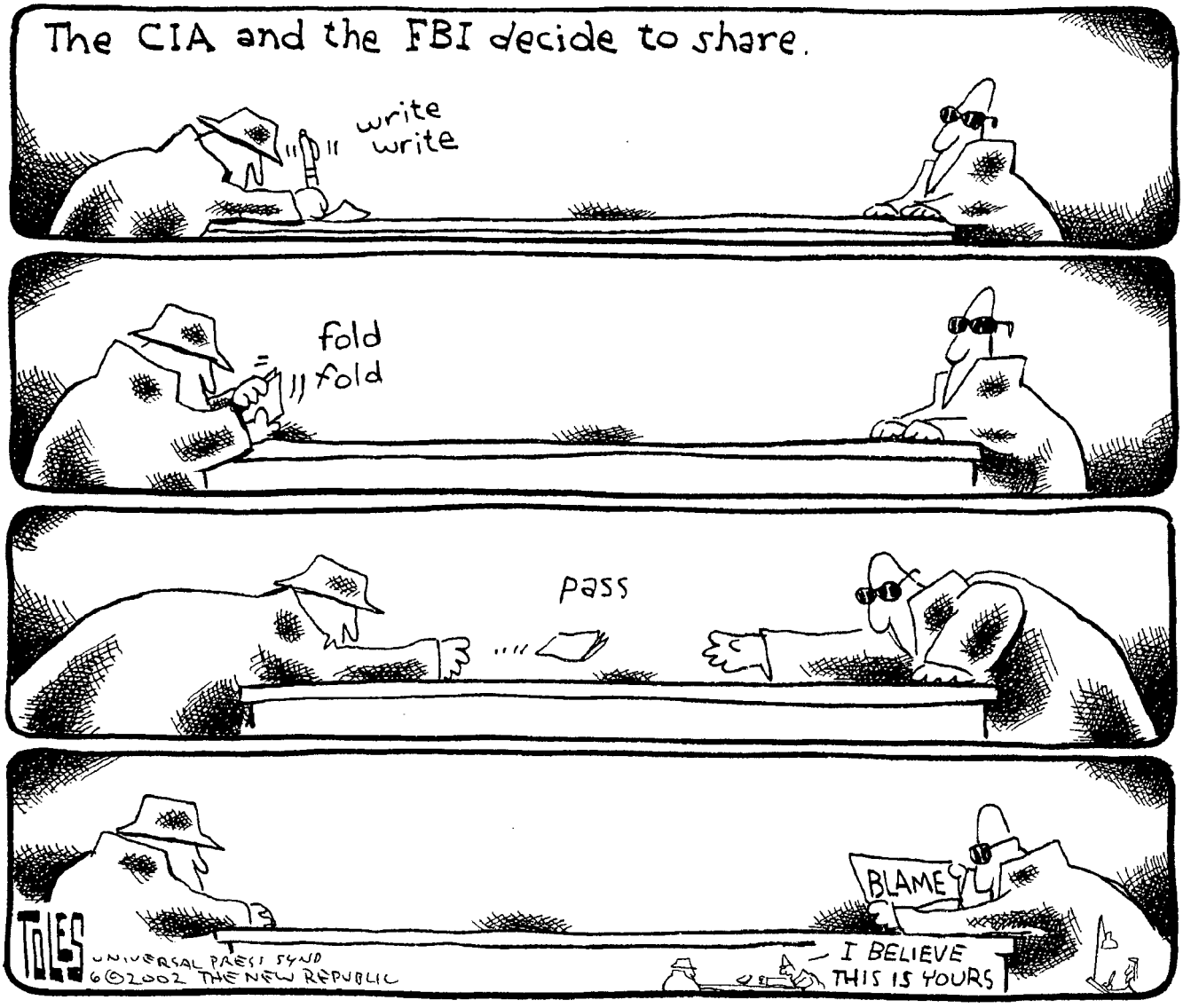

TRUST ME! CIA Director George Tenet, left, and FBI Director Robert Mueller, right, may sometimes brief the president together, but they're not on the same page. Tenet is director of central intelligence—but the title is a sham, and he can be fired anytime. He has only nominal authority over other intelligence-gathering organizations. The FBI works on a case-by-case basis, but its director has an almost untouchable 10-year tenure. The FBI's operations are saddled with antiquated computers and hobbled by a turf-consciousness that hoards the best information under the cloak of security. Reform is further stymied by a cop-driven mentality. "If you don't carry a gun, [or] if you're not a special agent in charge, you're a second-class citizen," says one expert.

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J. Marshall, *continued from page 18*

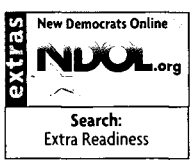
but that could be years away. Yet President Bush acts as though the fundamental problem has been solved. In June, he announced that he was confident that the FBI and the CIA are now sharing intelligence. But few knowledgeable observers believe it's really so simple. "George Bush thinks we've now solved this problem because his domestic guy, Mr. [Robert] Mueller, and his foreign guy, Mr. [George] Tenet, brief him [together] each morning," says Ivo Daalder, a former Clinton National Security Council official. The real problem is the extreme dissimilarity of the two institutions—one geared toward domestic law enforcement and the other toward foreign spycraft—and the lack of any overarching authority able to coordinate action between them. The problem won't be solved with interagency liaisons or by making the heads of the CIA and FBI chummier. The problem requires real reform.

We could make the Director of Central Intelligence—the person who runs the CIA—into an *actual* director of central intelligence. Currently, the title is a sham; the DCI has only nominal authority over agencies like the Defense Intelligence Agency and the National Security Agency, the massive electronic eavesdropping organization. The CIA is also specifically barred from domestic spying; this has been traditionally interpreted to mean that the DCI must keep hands off the FBI, with no role in its domestic intelligence work. A more ambitious proposal—discussed by William Wechsler in the spring 2002 issue of *The National Interest*—is to reform the intelligence community like the armed forces were reorganized under the National Security Act of 1947. The 1947 Act consolidated the departments of War and Navy into a unified Department of Defense and created the Joint Chiefs of Staff. Just as important, it also created a Joint Staff, a cadre of officers who, in theory at least, shed their individual service identities to collectively oversee the entire military establishment. Some reform is clearly needed. But the White House hasn't proposed any.

The federal government also needs to find a way to make sure that information generated in the course of law enforcement investigations is made available for intelligence purposes, something that now happens only sporadically. Law enforcement collects vast quantities of data, which are of no use to a particular investigation but would be of great value if available for intelligence purposes. The problem is that it's seldom clear to law enforcement officials what information would prove critical for intelligence or counterterrorism. In 1995, according to former CIA intelligence analyst Larry Johnson, a dispute erupted between the State Department and the CIA's counternarcotics center over whether two Colombian rebel groups—the FARC (Revolutionary Armed Forces of Colombia) and the ELN (National Liberation Army)—were involved in drug trafficking. The CIA claimed there was no evidence to sustain the charge. Actually, says Johnson, there was *plenty* of evidence. The CIA had just never seen it. It was stashed away in Drug Enforcement Administration case files.

The USA Patriot Act, the post-Sept. 11 omnibus anti-terrorism bill, did ease up some of the legal strictures on information sharing between law enforcement agencies and intelligence agencies—such as the prohibitions against using secret grand jury testimony for intelligence purposes. But making such sharing legal doesn't necessarily make it more likely to happen. Most information collected by local law enforcement is kept on paper or in databases that aren't accessible to other agencies. Few mechanisms exist—either technological or administrative—to facilitate such information transfers. And the administration has done little to foster or create them. In fact, even in areas where the federal government is already sending anti-terrorism money to the states, the effectiveness of the effort is blunted by the lack of national coordination from the federal government. "You have bioterrorism money that's going out to state health departments," says John Cohen, a security consultant who is a veteran of federal and local law enforcement. "But they're leaving it up to states without any guidance to think this through on their own. As a result you're getting 50 different states coming up with 50 different ideas of what is meant by preparing to confront bioterrorism."

> The **problem** isn't resources. It's the culture of the institution. 'Intelligence **analyst**' means something **different** at the FBI than it does at the CIA.



Case-driven analysis. Even where the administration is moving in the right direction, the president's people have shied away from taking on entrenched bureaucracies. Attorney General John Ashcroft and FBI Director Mueller have announced plans to vastly increase the number of intelligence analysts at the FBI. But according to most intelligence experts, the problem isn't that the FBI has too few intelligence analysts. The problem is that they don't really have any. Claiming that the FBI lacks an intelligence analysis capacity, says Larry Johnson, "is like saying there's a lack of police investigating capability at CIA. It's just a statement of fact. They don't do it."

The problem isn't resources. It's the culture of the institution. "Intelligence analyst" means something different at the FBI than it does at the CIA or, for that matter, almost every other Western intelligence agency. At the CIA, an intelligence analyst focuses on a particular subject area such as Algerian Islamists. Every day the analyst reviews wire intercepts, debriefings of human sources, newspapers, and other media. Then the analyst writes peer-reviewed reports to make sense of it all for the president and his advisers. The analyst is like a reporter

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Detroit Moves Ahead on Domestic Defense

With five international border crossings, Motor City has special responsibilities. It's turning to the latest technology.

by **Ed Kilgore**

When Canadian officials received a phone call in May about a possible bomb aboard a boat in Canadian waters near Detroit, the city's authorities were kept in the dark. Boat traffic on the St. Clair River was shut down for nearly two hours as Canadian authorities and U.S. Customs officials investigated the anonymous threat—but they never notified Detroit police, Michigan state police, or local bridge and tunnel operators of the potentially deadly situation.

Fear of just this type of scenario, in which the threat of a terrorist attack is not reported to critical local authorities, was the inspiration for Detroit's comprehensive new local plan for domestic defense. With this plan, the city has taken the nationwide lead in local-level homeland defense.

Detroit Mayor Kwame Kilpatrick's 10-point plan closely follows recommendations made in April 2002 by the Progressive Policy Institute's John D. Cohen and Maryland State Delegate John A. Hurson. Already under way at the time of the river incident, the plan includes measures to use the latest technology, better communications, and cross-agency coordination to prepare for potential terrorist attacks while also improving everyday crime-fighting capabilities.

PROTECTING THE COMMUNITY: Mayor Kwame Kilpatrick's 10-point plan includes comprehensive new guidelines and improved communications.

Kilpatrick insisted on two principles to guide local defense efforts in his city. First, protecting visitors and those who live and work in the city from future acts of terrorism need not be done at the expense of effective day-to-day service, the New Democrat said. He also wanted to maintain established partnerships with Detroit's "diverse community" and preserve constituents' civil liberties.

The plan calls for 10 key steps:

1. Appoint a homeland security coordinator with responsibility for overseeing the action plan, integrating it with the city's service delivery infrastructure, and meshing Detroit's efforts with federal, state, and regional authorities. Kilpatrick has created a task force of the city's department heads, who will meet regularly and also will be convened in an emergency.

2. Develop a comprehensive emergency response strategy, including an assessment of potential targets for attack, such as buildings, waterworks, power plants, and fuel storage facilities.

3. Lead a regional effort to secure the five international border crossings near Detroit while speeding the daily transit of goods and people between the United States and Canada. (For example, 1,600 Canadian nurses work in Detroit's health care system). The city has been working with Sen. Carl Levin (D-Mich.) to acquire federal funding for police to patrol the U.S. border with Canada.

4. Connect the radio systems used by police, fire, and EMS personnel, and expand their wireless data transmittal systems. A month after this plan was announced, the city's emergency response personnel relocated to a new communications center. They also are upgrading electronic systems for better service.

5. Reduce the potential for overloaded 9-1-1 emergency call systems by upgrading the technology for a 3-1-1 non-emergency police phone number and by expanding an emerging 2-1-1 system for health and human resources information. The United Way of Southeastern Michigan is working with the city to develop the system of Internet

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Ed Kilgore is policy director of the Democratic Leadership Council.

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J. Marshall, *continued from page 20*

with a beat or a stock analyst who follows a particular industry.

But that's not how it works at the FBI. Rather than having a particular area of focus, an FBI analyst's work is case-driven. The analysts function more like research assistants, gathering information for specific criminal investigations at the direction of the special agent running the case. (The CIA has similar support staff analysts in its Directorate of Operations who also have second-tier status. But the CIA's real intelligence work goes on in an entirely separate Directorate of Intelligence. The FBI has no equivalent.) An FBI analyst may develop deep knowledge about some aspect of counterterrorism, but those insights aren't funneled into a broader structure that will put them to use beyond the single individual or case. "Even if you can call someone who's working [at the FBI] an intelligence analyst, they still don't have an intelligence mission," says Johnson. "They are not writing on a daily basis to serve any particular audience."

Director Mueller plans to import a team of analysts from the CIA to set up a real intelligence shop at the FBI. But will the new outfit really be integrated into the organization or just get walled off like a bullet that can be left in the flesh without affecting the health of the body? Recent history isn't very encouraging. Even as Congress pumped in new funds to fight terrorism, the counterterrorism division languished and was rightly seen as a slow lane for career advancement in the FBI. "The counterterrorism side has not had the kind of respect that the other areas have had," says FBI historian Ronald Kessler. "There's been a lot of turnover. [Agents] will typically stay there a year and then go some other place." One key reason analytic work got relegated to second-tier support staff rather than being assigned to actual agents was that the FBI's macho, crime-fighting culture resisted the emphasis on information analysis that is at the heart of counterterrorism work. "In the pecking order of the FBI," says Greg Treverton, a former vice-chairman of the National Intelligence Council, "if you don't carry a gun, [or] if you're not a special agent in charge, you're a second-class citizen."

That same attitude has kept computer technology at the FBI in a primitive state. Former FBI Director Louis Freeh was himself notoriously technology-averse—he had the computer removed from his office when he took over the FBI, and he never began using email. When he left in June 2001, the standard issue FBI computers were 386 or 486 PCs—machines that were obsolete by the mid-1990s. The FBI actually had a central database that should have helped pull together the various memos and leads that pointed to the Sept. 11 plot. But it was an abysmal failure. The automated case support (ACS) system was poorly designed and was hobbled by the fact that the agents and field offices with the choicest information often refused to use it because they either had little experience with computers or because they didn't trust security—suspicions that proved prescient when arch-spy Robert Hanssen used it to harvest prized information. "It was a dinosaur," explains Kessler. "You could punch in 'flight' to retrieve millions of documents. But you couldn't punch in 'flight schools.' So it was almost useless. People came up with all sorts of jury-rigged ways around this ACS system. There literally were 42 different computer systems in the criminal division alone to keep track of different areas because this thing was so useless. If they wanted to check a name they'd have to literally go to dozens of different databases. No one would ever believe it. But that's the way it was."

The FBI ate reforms alive. By the mid-1990s the FBI could see that the counterterrorism was a winning card for expanding budgets. President Clinton repeatedly called for and the Congress repeatedly voted more funding for counterterrorism work at the FBI, particularly in the 1996 Omnibus Anti-terrorism Act. But, according to FBI observers, only a portion of that money went to actual counterterrorism work. "The problem," says Livingstone, was that "every guy who needed a secretary or an assistant for some reason over at FBI put them in under the terrorism authority. At the end of that time, I bet there weren't a hundred people who were really hired for terrorism. You had all these new hires over there that covered all these bureaucratic sins." No doubt there were many agents at the FBI doggedly committed to the counterterrorism effort. But in the absence of political accountability, managers who saw counterterrorism and intelligence as second-tier tasks doled out the counterterrorism money according to their own priorities.

> "Why, for instance, should the **FBI director** still be appointed to an almost **untouchable** 10-year term? The director's untouchability deepens the climate of **unaccountability**."

Untouchable term. Having better luck with this new round of reforms will require a strong hand pushing them from the outside and a broader effort to make the FBI itself more accountable. Why, for instance, should the FBI director still be appointed to an almost untouchable 10-year term? Preventing political abuse of the FBI is a serious concern, of course. But history—particularly the Hoover years—has shown that the real danger is not that the FBI will be too accountable to the White House, but that it won't be accountable to anyone at all. The director's untouchability deepens the climate of unaccountability that permeates the institution. In the 1990s FBI agents mockingly called their nominal superiors at the Justice Department "the Christmas help"—as in, temporary hires whose views could be ignored because they would be gone soon enough. "They're unmanageable," says one former Clinton Justice Department official. "It is almost impossible for attorneys general or whoever wants to change the FBI to do so."

Tackling such daunting problems would require sustained

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effort and a major investment of political capital. But the administration has preferred to pass on structural reform in favor of what might be called spasmodic anti-civil libertarianism. "It's easier to say that we'll use these extrajudicial [measures or] techniques such as profiling," says Cohen, "because it's much harder to actually fix the institutions." When Ashcroft takes showy whacks at the sacred cows of civil libertarians, it makes for great short-term politics because his outbursts signal an indifference to political correctness and rights dogma that even his opponents take as a sign that the administration is deadly serious about fighting terrorism. Then there's the added benefit of picking fights with generally toothless and unpopular opponents like the ACLU or left-wing law professors. But the real problem with most of these policies is not so much that they violate civil liberties as that they just don't do much good.

A prime example came on June 5, when Ashcroft announced a plan to require a class of foreign visitors—mainly 18- to 35-year-old men from Middle Eastern and predominantly Muslim countries—to be fingerprinted, photographed, and required to fill out lengthy forms. It sounds like a tough, no-nonsense policy until you discover that the administration has been sitting for some 18 months on another program that would likely accomplish much more with few of the attendant constitutional concerns. In the June issue of *The Washington Monthly,* Nick Confessore described how in the late 1990s the Immigration and Naturalization Service successfully field-tested a state-of-the-art database program which would have used biometric smart cards to identify, screen, and track foreign students in the United States. The program would effectively track *all* foreign students and certainly accomplish more than the selective targeting of Arab and Muslim men. Yet the program has languished for three years in a state of bureaucratic suspended animation, the victim of internal sabotage and aggressive lobbying by pro-immigration advocates and—of all people—a group called NAFSA, the Washington lobby for foreign student advisers. The Republican congressional staffer who played the key role in axing the program during the Clinton years now serves as the associate commissioner for policy at INS and continues to keep the program on ice.

Maybe we shouldn't be surprised that the White House has dodged these challenges. Keeping a tight lid on information and attacking anyone who criticizes lapses in the counterterror fight has helped the administration stifle debate about many of these problems. But the administration's puny efforts on intelligence reform make for a sorry contrast with its tough rhetoric and aggressive military posture. Passivity has ruled the day. Even the Department of Homeland Security proposal only received administration backing after a rush of embarrassing headlines and the first signs of a drag on the president's popularity. Intelligence and counterterrorism reform require leadership and action. But if the last 10 months are any example, don't expect them from the Bush White House. ◆

Kilgore, *continued from page 21*

referrals, using the three-digit dialing code reserved nationwide for access to information about community-wide services.

6. Deploy an electronic public health surveillance system to quickly identify patients with symptoms associated with biological or chemical weapons and to coordinate a response by health care providers. A regional consortium on bioterrorism and weapons of mass destruction is working with the health department to network existing systems within the health care and emergency response fields.

7. Improve information sharing among federal, state, county, and municipal law enforcement agencies to identify trends and target suspects in terrorism or crime. The river incident this spring illustrated the need to bolster this aspect of homeland security and has led to an increase in cooperation among all levels of law enforcement in the Detroit area.

8. Mobilize neighborhood watch programs and other community-based public safety networks to prevent acts of terrorism. Earlier this summer, the city stepped up community policing efforts and distributed fliers instructing citizens on what constitutes suspicious activity.

9. Provide comprehensive, state-of-the-art training for health care providers, emergency "first responders," and other city personnel on responding to terrorist acts, including a "citywide drill" exercise.

10. Develop a prioritized list of projects, events, and programs that might merit federal and state assistance.

Kilpatrick emphasized two principles as fundamental to Detroit's domestic defense action plan: "Proactive, information-driven, law enforcement efforts—supported by rapid, effective sharing and collection of information—eliminate the need for ineffective, random, and reactive enforcement strategies," he noted in a statement. "Furthermore, the best preparation for future acts of terror can be found in the same techniques and technologies that can be used to better protect our neighborhoods from drug traffickers, robbers, and burglars, and keep our communities healthier."

Detroit's local approach to domestic defense reflects the New Democrat principles of using technology to improve security without compromising civil liberties and of reinventing government agencies to break down bureaucratic barriers and focus on real-life results. With this comprehensive plan, Detroit is providing a good example for other major cities. It illustrates the direction that national domestic defense efforts should take to avoid becoming bogged down in bureaucratic turf fights and inertia. ◆

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Homeland Security Begins at Home

As Washington juggles bureaucratic boxes in the rush to build a new Homeland Security Department, Congress and the president are overlooking one very important point: Homeland security begins at home.

More attacks aren't "inevitable"—if we deploy a new domestic security force and more police.

by **Bruce Reed** *and* **José Cerda III**

Creating a department of domestic defense is a good idea, and President Bush was right to get behind Sen. Joe Lieberman's proposal after months of resisting it. But there's a big hole in the White House plan to put everything "under one roof," as the president described it in his proposal to Congress. While his plan goes a long way toward consolidating the federal government's domestic security functions, it does precious little to strengthen local law enforcement—the front line of homeland defense. And for all its bureaucratic reshuffling, it ignores the biggest bureaucratic problem of all—how to compel the CIA and FBI to share intelligence and be more accountable for results.

Nearly two-thirds of the new agency's proposed $37.5 billion budget and a whopping 92 percent of its estimated 170,000 personnel are dedicated to improving two federal functions: border and transportation security. To be sure, keeping potential terrorists from getting into the country and stopping them from hijacking airplanes are crucial elements of homeland security that must be strengthened. Other existing federal initiatives slated for the new department are also worthy, such as disaster preparedness programs to help communities plan for and respond to terrorist attacks.

But no matter how much we rearrange the federal bureaucracy's organizational chart, terrorists won't always be stopped at the nation's door. And when they get past the border, or if they are already here, it's not enough simply to help communities brace for the worst.

Bruce Reed is president of the Democratic Leadership Council and was President Clinton's domestic policy adviser. **José Cerda III** is a senior policy adviser to the Democratic Leadership Council and served as crime policy adviser in the Clinton White House.

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MASSIVE INTELLIGENCE BREAKDOWN: Like every other democracy, the U.S. needs to establish a domestic security force to prevent terrorism at home.

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Fire Fighters Gird for a Long War

They've been lionized and loved. Now they need funds and equipment.

by **Harold Schaitberger**

ICONIC HEROES: As first responders, fire fighters are on the front line of homeland defense.

The history of the United States of America is the story of men and women willing to answer the call to defend the freedoms we hold dear. On Sept. 11, 2001, Americans were reminded of the price we must pay for these freedoms. Not only were thousands of innocent civilians slaughtered at the World Trade Center, but the brutal attack also claimed the lives of those who came to help: 344 members of my union, the International Association of Fire Fighters. In the months since that attack, the media has adopted the fire fighter as the symbol of our national resolve, and America has come to think of fire fighters as our first line of defense against terror.

The new reality of the war on terrorism is clear: For the first time since the British burned the White House in 1812, foreign enemies have demonstrated the capability and will to strike the homeland. Even the surprise attack on Pearl Harbor, as devastating as it was to our naval forces, did not hit as close to home as the airplanes that struck New York City, the Pentagon, and the Pennsylvania countryside. By bringing the war to our shores, the terrorists have added a new and critical element to our national security equation: the work and dedication of first responders like fire fighters.

From now on, our national security will rest on a four-sided foundation: intelligence, the military, border defenses, and first responders. These include police, paramedics, and fire fighters. They must be an integral part of all future security planning, and they must receive the critical funding they need to develop the capabilities required by this new brand of warfare.

Despite the lionization of fire fighters, it is all too easy to forget them as the nation lavishes media attention and funding on the other three sides of the national security quadrangle. Yet the ability of the towns, cities, and counties—working with state and federal governments—to respond to attacks depends on full support and a key place at the planning table. Working closely with all levels of government, the International Association of Fire Fighters is making sure that the needs of local communities—where all first response begins—are fully addressed. While the details of how to improve our domestic response may be complex, the broad outline is quite simple.

We need more fire fighters. This nation would never commit its troops into battle under strength. But today, more than two-thirds of the nation's fire departments are drastically understaffed, making it extremely difficult to deal with the traditional threats of fire, medical emergency, and natural disaster, much less the unexpected threats terrorism

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promises. Legislation pending on Capitol Hill, *The Staffing for Adequate Fire and Emergency Response (SAFER) Fire Fighters Act* (H.R. 3992, S. 1617), would contribute 75,000 fire fighters at the local level to help close this dangerous gap. It is a common-sense down payment on boosting the ability of local fire departments to do their jobs.

Our fire fighters need the right training. There are numerous areas of expertise that fire fighters are required to master to prepare for acts of terrorism. These include traditional skills such as hazardous materials handling as well as such emerging challenges as responding to attacks by weapons of mass destruction (chemical, biological, or nuclear). That's why grant programs at the Department of Justice, the Federal Emergency Management Agency, and the Department of Energy need long-term support to survive and help us develop expertise at the local level. The president's first responder program and numerous IAFF-backed grants are key components to building this knowledge base.

Our fire fighters need the right equipment. New threats require new technologies. We have a good idea what equipment fire fighters need to do their jobs in this new environment, and all of it costs money. Like a blast from the Cold War, the new wave of technology could deliver early warning nuclear, biological, and chemical detectors to the place where they are most needed—the firehouse. Once again, the president's program and the innovative FIRE Act (which provides small grants directly to local fire departments) can provide a constant flow of funds to build technological response capabilities across the country.

The IAFF has recently launched a campaign to build political awareness among our members. The campaign reflects our position that the time for rhetoric is over: "Words Are Not Enough." Political leaders who want to do right by fire fighters and the citizens we serve have a clear road map to follow. That road map connects separate but related pieces of legislation—reasonable initiatives that will help keep America safe.

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The threats we face together will not dissipate overnight, and they will not be swept away by a D-Day style invasion or by the organization of a new federal bureaucracy. There will also be no surrender ceremony when our enemies are defeated. It will be a long war and, unfortunately, fire fighters and other first responders will wage many of the small battles in this long campaign. We should give them the troops and the tools they need to get their jobs done. ◆

Reed/Cerda, *continued from page 25*

Instead of repeatedly scaring us with announcements that another terrorist attack is "inevitable," as FBI Director Robert Mueller has said, the administration should enlist every asset at every level to prevent it. To confront the threat of terrorism at home, America needs a new strategy that goes beyond the president's top-down vision of homeland security. The goal of domestic defense isn't to help Americans get used to terrorism. Our goal must be to deter, disrupt, and defend ourselves against it.

If we needed any more proof that Washington alone can't solve this problem, the homeland security debate in the nation's capital this summer provides it. After Lieberman described the devastating stream of revelations about the FBI and CIA's lack of communication as "the most glaring failure of our government leading up to Sept. 11" and called for congressional action, what was the Bush administration's response? Instead of using its political capital to solve the intelligence problem, the administration insisted on putting off any effort to solve the intelligence crisis until it is done with legislation to rearrange the other bureaucratic boxes.

That clears the way for a presidential signing ceremony in the Rose Garden this fall. Unfortunately, it gives the terrorists another year—or perhaps longer—to exploit our greatest vulnerability. Once again, the Bush administration may be letting the big one get away.

We have to tackle the intelligence failure head-on—and fast. A new flow chart is not enough. We must take bold steps that recognize how much the world has changed and how deeply our way of life is threatened. Like every other democracy on earth, the United States needs to establish a domestic security force. Rather than wait for the FBI or CIA to change ancient bad habits, we can deploy an elite squad custom-built for the job: a new Domestic Defense Division that would resemble Britain's successful MI5. We could call ours 3D.

The sole mission of 3D should be to prevent and preempt terrorism at home. It should be a larger and more capable counterterrorism force than any yet imagined by the FBI. Rather than hiring hundreds of new agents and support personnel to work more terrorism cases or reassigning hundreds of agents from white-collar crime and illegal drug cases, as the last two FBI directors have done, 3D should be at least 5,000 agents strong and include top security talent from the CIA, FBI, and the ranks of state and local law enforcement. Unlike the CIA, 3D should be allowed to conduct surveillance and collect intelligence inside the United States in order to fulfill its mission. And unlike the FBI, 3D's investigations and enforcement actions should be driven by what it takes to stop terrorism, not by what it takes to make a case in court.

But the price for greater latitude should be greater accountability. First, 3D's work should be watched over not just by

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Reed/Cerda, *continued from page 27*

its director, but by an oversight board consisting of the top officials from the CIA, FBI, National Security Agency, Defense Intelligence Agency, National Security Council, and Department of Homeland Defense. Second, 3D should be required to adopt a computerized management system like the New York City Police Department's Compstat, forcing it to keep rigorous and real-time information on the progress of its work. Not only could reports from this database be used by 3D to grill individual supervisors on their activities and performance, but it could be used to compel information sharing as well. Third, as with Britain's MI5, a special tribunal of distinguished federal judges should be established to monitor and consider any citizen complaints against 3D.

The FBI will no doubt resist such a proposal, insisting that it can solve the intelligence problem sooner or later on its own. But maintaining the status quo is not an option, and neither is tinkering at the margins. Civil libertarians, in turn, will object to opening the door to domestic spying. To be sure, we must closely monitor this new division to guard against abuse. But we shouldn't let the ghost of J. Edgar Hoover spook us from doing what it takes to defeat real, immediate security threats. By now, we should recognize what other democracies already have: that the first civil liberty government must protect is its citizens' safety.

Although 3D will give America the affirmative capability to deter and defend against terrorism at home, it can't do the job alone. As Police Chief Edward Flynn of Arlington County, Va., has remarked, "Terrorism may think globally, but it acts locally." That's why Washington must strengthen the American homeland's first line of defense and response—its 650,000 state and local law enforcement officers.

Since Sept. 11, state and local enforcement officers have served on the front lines of the domestic war on terrorism. Maintaining high-alert status longer than ever before, these officers have responded to countless threats and reports of suspicious activity; provided increased security at airports and other transportation hubs; hardened soft targets such as power plants, federal facilities, and high-rise buildings; and even assisted federal law enforcement in interrogating thousands of individuals from countries with links to terrorism.

But undermanned police departments can't keep up this vigilance forever. Even before Sept. 11, many law enforcement agencies, including New York and Los Angeles, were experiencing a cop crunch—losing officers faster than they could recruit new ones and struggling to maintain their force levels. Since then, police departments throughout the country have met the increased demand for security, but only by requiring officers to work 12-hour shifts and postponing any leave time. As a result, overtime costs have hit record highs this year, just as most city and state budgets were falling short on revenues.

The president's response to the cop crunch has been to slash federal funds for police hiring and allocate them to other homeland security purposes. Instead of giving our domestic troops the resources they need to meet heightened security concerns, the Bush administration is forcing us to choose between fighting crime and securing the homeland. That's a false choice. America shouldn't have to sacrifice its hard-fought gains in the war on crime to fight the war on terror.

There's strong new evidence about the danger of the president's proposed cuts in state and local law enforcement funding. In the 1990s, violent crime declined by a quarter and the murder rate hit its lowest level since the 1960s. But in June, the FBI reported that the crime rate increased in 2001 for the first time in nearly a decade. In particular, crime went up after Sept. 11, when police departments were being asked to do more with less.

In a recent briefing to Seattle officials, the local FBI office declared the city an "easy target" for terrorism. A central concern, it said, was the issue of law enforcement staffing levels, which contributed to the perception that terrorists could operate undetected in the city.

> "Even before Sept. 11, many law **enforcement** agencies, including New York and Los Angeles, were experiencing a **cop crunch**—losing officers faster than they could **recruit** new ones and **struggling** to maintain their force levels."

Congress should reject the president's cuts outright and take action to ease the cop crunch. It should start by boosting police force levels by 10 percent. State and local law enforcement agencies need the extra manpower to fight the two-front war on crime and terror, and this increase would add another 65,000 police officers to their ranks. Congress also should grant emergency overtime relief to communities that have been hard-hit by uncontrollable costs since Sept. 11.

If the government is going to enlist state and local law enforcement officers in the war on terrorism, it also needs to provide them with the technology and tools they need to be safe. As the first to respond to the scene of any terrorist attack, state and local police are the canaries in the coal mine. But chances are they don't have and can't afford the equipment and protective gear to ensure their own safety or that of the public. Mayors estimate that only 10 percent of cities have the proper equipment and gear to respond to a biological attack.

Nor do most local police have the equipment they need to communicate with one another or with other first responders. When the Pentagon was attacked on Sept. 11, more than 20 police and fire departments responded to the scene, and none of their radios were compatible. Moreover, the local cellular telephone network was jammed and unavailable. Personnel on the scene finally were able to communicate through the use of a

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ENDING THE COP CRUNCH: We need to boost police force levels by 10 percent and give local police the equipment and technology they need to fight crime and terrorism.

mobile emergency command center, a sophisticated piece of communications equipment that is tailor-made for such situations but too expensive for most local police to own.

These are just two examples of the tools local law enforcement needs to respond to a terrorist attack. But other dual-use technologies and equipment can be used to fight both crime and terrorism. Certain protective gear can be used both for responding to a chemical attack or raiding a methamphetamine lab. Crime mapping systems can be used for problem solving and crime analysis or for identifying potential terrorist targets and planning emergency response strategies. Integrating databases and introducing the use of wireless devices can both improve law enforcement and quicken terrorism response. Congress needs to invest in all of these technologies.

Congress also needs to take the lead in building an integrated justice information system for all of the nation's law enforcement. Before Sept. 11, several of the hijackers had run-ins with state and local law enforcement—two were arrested for drunken driving, one had an outstanding arrest warrant, and still another was ticketed for speeding. If federal, state, and local law enforcement agencies had an information system that linked key criminal justice databases, these individuals might have been apprehended sooner.

But this integrated information system doesn't need to be online for law enforcement agencies to do a better job of information sharing. There are steps the federal government could take right now to improve the flow of information. First, it could expand use of the FBI's principal criminal justice database, the National Crime Information Center, to meet state and local law enforcement's immediate demand for more information. Generally, the NCIC is restricted to law enforcement officers conducting background checks on criminal suspects. But just as the FBI recently added suspected terrorists to NCIC, Congress could add other relevant categories, such as immigration violations, and also relax restrictions on NCIC's role so that it could be tapped for legitimate homeland security purposes.

Second, Congress should end the FBI's failure to communicate with local police once and for all. It should amend the recently passed USA Patriot Act, which provides for greater sharing of intelligence among federal law enforcement agencies, to grant state and local law enforcement access to the same information. Moreover, there is simply no good reason for the FBI to hold back on security clearances for state and local law enforcement executives. They clearly have a "need to know" sensitive information before a terrorist attack occurs, not after the fact. Congress should mandate that the FBI provide appropriate clearances to state and local law enforcement officials.

America started winning the war on crime when police officers got out from behind their desks and finally agreed to be held accountable for results. Winning the war on terrorism will require the same resolve. Federal agents must break their bureaucratic mindset and accept responsibility. Political leaders from the president on down must recognize that the measure of their success is not whether they do something but whether it works.

New York Times columnist Thomas Friedman has argued that the Sept. 11 attacks represented less a failure of intelligence than of imagination, and that the nation simply couldn't fathom the possibility of such evil ever occurring—and certainly not on American soil. But the nation failed on both counts: either to gather and make the best use of the intelligence necessary to prevent such a terrorist attack from ever taking place or to anticipate and prepare for the magnitude of the threat posed to the nation.

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If lawmakers in Washington don't want to repeat these mistakes, they'll look beyond the president's "one roof" proposal and take the bold steps we need to deter, defend against, and disrupt terrorism at home. It's time to put security, not bureaucracy, first. ◆

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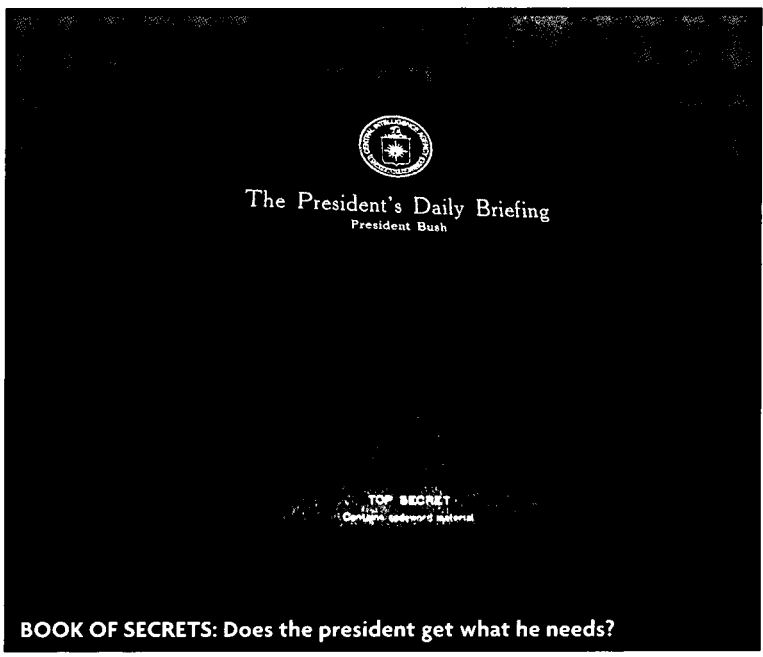
Bridging the Intelligence Gap

Why the culture of secrecy has blocked urgently needed reform of the world's best intelligence service. | *by* **David J. Rothkopf**

It has been said that Osama bin Laden has done more for U.S. defense transformation than all the committees and commissions that had been convened in Washington prior to Sept. 11. At the same time, the terror attacks have focused our attention on another urgent requirement that had been much less discussed prior to September's attacks—the need to produce real and profound intelligence transformation.



BOOK OF SECRETS: Does the president get what he needs?

Such a transformation should produce a dramatically revised view of the role of the intelligence community. It would acknowledge that the community is more important than ever before, truly at the "point of the spear" in our efforts to preempt, monitor, and contain threats. It should also recognize that we have by far the best intelligence organizations of any country in the world. But it would also reveal the need for a next-generation intelligence capability that graduates from the stove-pipes, centralization, hierarchies, and methods and mentalities of the Cold War to the seamlessly collaborative, distributed, more open possibilities of the Information Age. To achieve this transformation, the Bush administration will have to be prepared to go much further than it has thus far.

The war on terrorism. Transforming intelligence must begin with the redefinition of its mission. The war on terrorism will obviously be the top priority for

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the intelligence community, requiring a more flexible, flatter, decentralized structure that is able to confront multiple, changing, global, non-state, asymmetrical threats. President Bush's new doctrine of preempting threats also demands a much greater emphasis on intelligence. Indeed, preemption is an intelligence-driven concept, implying that we can identify threats well before they can be realized and that our information can be specific and detailed enough that we can act on it without unnecessary collateral damage, physical or political. Identifying threats early enough for them to be preempted assumes that the partnership between intelligence operatives and special forces troops that worked in Afghanistan will become a mainstay of the war on terrorism and our parallel efforts to contain the proliferation of weapons of mass destruction.

Terrorism, of course, isn't the only threat. The United States must also keep a sharper watch on states and groups that have access to weapons of mass destruction. We must also monitor the activities of nations or other actors that would mobilize opposition to us regionally or globally—be they rogue states or larger nations that might work simply to fill the vacuum of leadership in movements that see America and our values as a threat. Traditional strategic concerns have also not faded completely from view even if they do not warrant the headlines they did a year or more ago. Consequently, reinventing the intelligence community to respond to the threat *du jour*, no matter how serious, would be a mistake.

> "Identifying threats early enough for them to be **preempted** assumes that the **partnership** between intelligence operative and **special forces** troops that worked in Afghanistan will become a **mainstay** of the war on terrorism."

Reinventing America's intelligence community is, to be sure, a complex task. It is complex because the community itself is so complex, because its missions are complex, and because that which works well is woven so intricately with that which does not. Effective reform will require structural transformation both within the community and among its clients and overseers on the Hill. It will require rationalized budgeting and new legislation that is a manifestation of a greater political will to effectively use our intelligence resources, that indemnifies private sector partners, and that makes intelligence sharing easier. Clearly, such legislation is itself one of the steps required to produce the enhanced international, domestic, and public-private collaboration that will be so critical going forward. Operational capabilities, human intelligence sources, and electronic intelligence resources will have to be augmented. In addition, three other sets of changes that are less often discussed should become part of any genuine transformation process. They are:

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1. Create a domestic intelligence capability. Domestic intelligence gathering is our weak spot, as the intelligence failures before Sept. 11 vividly demonstrated. The United States needs a new entity dedicated solely to gathering, analyzing, and sharing domestic intelligence. One oft-cited model is Britain's MI5, which operates under well-established rules protecting privacy and civil liberties. In any case, this intelligence-gathering capability would best be independent of either the FBI or the CIA to ensure effective focus on its unique mission. It would not be a law enforcement agency, allaying at least some concerns about potential violations of privacy. But it should feed the new Department of Homeland Security, the FBI, and, where appropriate, state and local agencies with a constant stream of intelligence about the threats among us.

2. Increase use of open sources and external expertise. Next, we need to vastly increase our ability to harness open-source information—insights drawn from the million unclassified pages of new information appearing on the Web daily, plus that from other public sources. This information, from chatroom conversations to the text of every significant newspaper or media outlet worldwide to technical data on new technologies, is not only critical to our understanding of the world but will be the primary intelligence tool used by our adversaries. Well-analyzed open-source intelligence can more easily be shared with the private sector and even state and local governments with whom the sharing of classified intelligence is impractical. Since it is unrealistic to expect the best analytical talent to reside within the U.S. government, the system must be reformed to enable quick, easy access to a network of reliable, trusted external experts who can augment internal analytical resources. The recent recognition that we lack the language skills in the U.S. government to operate effectively in places like Afghanistan, Pakistan, or elsewhere in Central Asia (to pick just one example) illustrates clearly the advantages of a system that is designed to identify and tap special skills and knowledge sets on demand.

We also need legal changes that will indemnify private sector database owners and protect privacy when government agencies get access to proprietary information like flight records, hotel receipts, rental car reservations, and hospital records.

3. Redistribute the analytical structure and provide better user access to raw intelligence. Fusing information from open and closed sources, from the 13 separate intelligence agencies in the U.S. government, and from international collaborators is one challenge of restructuring our intelligence capacity. Here a reassessment not only of the technological architecture of the U.S. intelligence community but also of the analytical and intel-

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Rothkopf, *continued from page 31*

ligence-sharing model of that community is in order. We must fight the impulse on the part of some bureaucrats historically associated with the intelligence community to centralize everything as a solution and we must also fight the impulse among other equally savvy and turf-conscious bureaucrats to ensure that every department has its own capacity to do everything.

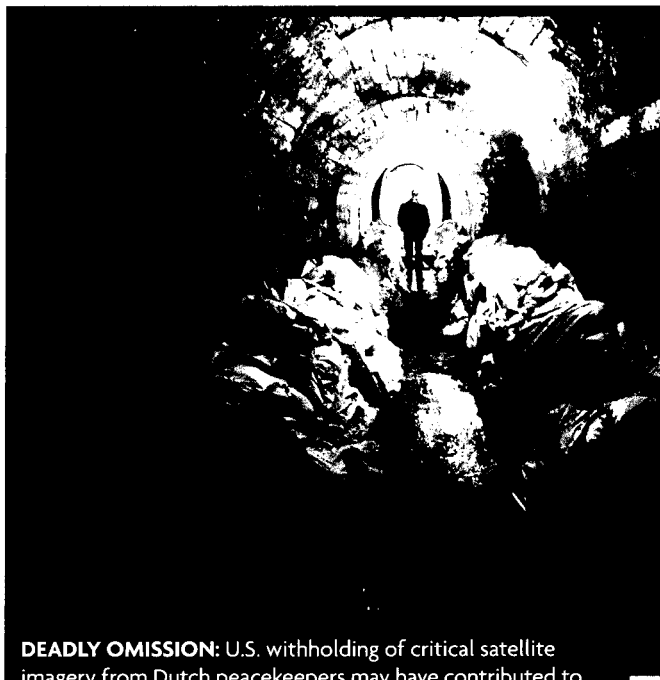
The new model suggested in the administration's proposed Department of Homeland Security is a step in the right direction; it provides for the department to be fed raw intelligence from as many useful sources as possible and then to conduct its own analysis. Professional intelligence gatherers—using the tools available for signals interception, gathering of imagery, human intelligence gathering, and open-source intelligence gathering—should have the job of building databases that are accessible as broadly as possible across agencies with policy responsibility. Different levels of security clearance could protect access to particularly sensitive information. Then analysts who understand the needs of end-user agencies—the FBI, say, or the Homeland Security Department—could provide the refined product for use within the agency.

There are approximately 13,000 analysts in the U.S. intelligence community. Many of them view their jobs through the prism of bureaucracies that have their own interests, culture, and instincts for self-preservation. Perhaps once, in a world in which it was difficult to make raw intelligence flow as freely among different locations or in which it was harder to protect it, that made sense. But today, those analysts can be a distributed network located in and among the end-user agencies who themselves have special expertise that can better shape the analysis. This integration of intelligence more deeply

I Spy, You Spy

Our allies have better intelligence in parts of the Muslim world. We should give in order to get.

by **Robert Gerald Livingston**



DEADLY OMISSION: U.S. withholding of critical satellite imagery from Dutch peacekeepers may have contributed to the 1995 massacre of Bosnians in Srebrenica.

former head of German counter-intelligence recently confided: "The best piece of intelligence is the one that *only I* possess." That spymaster's emphasis on exclusivity and withholding information even from his friends is, alas, the watchword among intelligence chiefs worldwide. And it threatens to undermine efforts to globalize the hunt for terrorists and their bad works.

Timely and credible intelligence—often the merest scrap—can be as decisive in foiling terrorist plotting as any police action, cruise missile, or bomb. That's why Congress and the White House are focused on improving information sharing between the CIA and FBI. But the debate has so far overlooked another chronic intelligence failure: the inadequacy of the CIA's liaison with other intelligence services.

One reason for urgent reform is that even though the United States far outstrips other countries in its technical intelligence gathering, many other nations often have better human intelligence, or "humint"—real live spies. This is especially true when it comes to penetration of Muslim communities. A perfect example is the French intelligence report passed to the FBI on the extremist associations of Zacarias Moussaoui, the alleged twentieth hijacker and the only person so far charged in connection with the Sept. 11 attacks.

That rare example aside, however, the dirty little secret of international intelligence sharing seems to be that there isn't much of it—certainly not the amount that is needed in an era of globalized terrorism. This was, in fact, the clear conclusion of a conference of intelligence historians that met in June in Strausberg, a scraggly suburb east of Berlin. The

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into the life of all end-user agencies is critical to produce greater efficiency and to allow policymakers access to the broadest possible range of credible views. It is also the way that modern, information-driven businesses everywhere are being structured—giving information tools to user communities and breaking down centralized legacy systems.

The key to transforming U.S. intelligence is to change our fundamental thinking. We must move from our traditional view of intelligence as a sequestered world, insular and apart. Secrecy is essential in certain areas and can be strengthened with new technologies, but the culture of secrecy has also retarded the growth of the intelligence community and hampered its ability to rise to the new set of challenges before it—challenges that at their core require demand enhanced collaboration with other agencies, with law enforcement, with the military, with states, with localities, and with the private sector. Holding information too closely stifles sharing, breeds distrust among end-users, and sometimes prevents the joining of all the pieces of a larger puzzle.

The process of reinvention has suffered a setback in that the Congress and the administration have decided to put it off until the Department of Homeland Security is operational. While establishing the department should be an urgent priority, it does not exist in a vacuum. Without an effective intelligence apparatus this new war cannot be fought or won. Without it even a well conceived Department of Homeland Security is blind and could be seriously hamstrung on the domestic front. In the best of all possible worlds, therefore, we would realize that the creation of the Department of Homeland Security is actually just one of several critical steps involved in reshaping the U.S. security establishment to respond to the new set of threats this nation faces. ◆

meeting was held in the old high command headquarters of the former East German Army. It's where Warsaw Pact generals used to do their own intelligence sharing and wargame their planned assaults on Western Europe.

One reason for institutional tight-fistedness is that intelligence collection, analysis, and exchange remain the most proto-national of a country's activities; its priorities are governed strictly by national political agendas. No country cares to share. Each pleads protection of sources and methods, the first operational commandment of every intelligence service. A leading Dutch student of intelligence work pointed out that each of the NATO allies doctors its own intelligence reports to remove such sensitive material when they are shared with NATO collectively. Real exchange of intelligence is never done with large alliances; it is always bilateral and based on quids pro quo.

Here the United States has an immense advantage. The CIA and the electronic eavesdropping National Security Agency, with their intercepts and satellite photo imagery, have lots of good stuff to offer, while our allies have less. But with their greater strength in "humint" sources, the allies are changing the balance of the exchange. The need to find terrorists who may be living in slums or caves brings greater bargaining power to allies like France, the Netherlands, Britain, Spain, and Italy, which have deep connections to certain Muslim countries that antedate ours by generations.

Withholding intelligence. In the past the United States has been stingy in sharing intelligence. Until quite recently it refused to let NATO allies see its satellite photos. To the irritation of continental European services, moreover, Washington also has played favorites. Its preferred customers are platinum-card intelligence consumers who date all the way back to World War II—the British, Canadians, Australians, and New Zealanders.

For reasons of its political agenda, the United States has sometimes kept to itself vital intelligence that had swift operational consequences. Dutch sources say that U.S. intelligence failed in 1995 to pass on to Dutch troops in eastern Bosnia satellite imagery plainly showing the buildup of Serb forces around the Muslim "safe haven" of Srebrenica. The Dutch were supposed to be protecting the town. But a Serb attack and subsequent massacre of more than 7,000 Muslim men ensued. Even preferred customers suffer sometimes: In the early 1980s, Washington initially withheld from the British photo evidence that Argentina was preparing to attack the Falklands Islands.

Reluctance to share good intelligence is by no means an exclusively American fault. Germany's intelligence chiefs have often been cautious about sharing their best material with the CIA because of what they perceive as the politicized nature of the U.S. intelligence service—"too close to the administration of the day," said one former official. At the same time, Germans have complained about U.S. failure to share with them such critical intelligence as their pursuit of Mohamed Heidar Zammar, a Syrian-born German implicated in the Sept. 11 plot.

Even though intelligence gathering, and especially analysis, are bastions of national sovereignty, ways must be found to overcome historic and institutional resistance to cooperation among intelligence services. At a time when U.S. needs dovetail with the overseas supply of certain kinds of intelligence, we need to be more willing to give in order to get. The same, of course, applies to some of our closest allies, who may need to be reminded that they, too, can become the targets of today's fundamentalist terrorists. ◆

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TROOPS ON THE GROUND: Known for disaster relief and overseas missions, the Guard is perfectly suited for domestic security.

Guarding the Homeland

The National Guard is America's original homeland security. It's everywhere. That's why it should take the lead. | *by* **Steven J. Nider**

As America undergoes an unprecedented and sweeping reorganization of its domestic security apparatus, we should not overlook the nation's original force for homeland security: the National Guard. Although the current debate is focused on the president's proposal for a Homeland Security agency, we should not ignore a force that exists in local communities across the country and has strong relationships with both state and local governments. The Guard's deep knowledge of emergency response systems, crisis management needs, and law enforcement concerns makes it ideally suited to take the lead on homeland security.

Historically, the Guard has served as a link between state and local communities

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and the federal government, providing immediate and organized protection in times of crisis. Within moments after the terrorist attacks on Sept. 11, for example, Guard units were deployed to monitor the streets of New York and Washington, D.C., as well as the skies above major U.S. cities. All told, nearly 20,000 Guard men and women representing 48 states and 428 units were mobilized in the wake of the attacks.

For 365 years, the Guard has responded to the country's needs, both inside and outside the United States—from flood recovery efforts in Texas to supporting firefighters in the Western United States to peacekeeping operations in the Balkans. The Guard has participated in every major military campaign in U.S. history and should continue to augment and reinforce active-duty troops serving overseas.

But the Guard's primary focus should now shift to domestic concerns. Sen. Joe Lieberman (D-Conn.), chair of the Governmental Affairs Committee—which is leading the congressional creation of a Cabinet-level Department of Homeland Security—has proposed two areas in which the National Guard should become more engaged in homeland security.

First, it should augment civil law enforcement and domestic intelligence in protection from and prevention of attacks when threat levels are rising. The Guard, for example, could help monitor national infrastructures such as bridges, ports, railways, power facilities, and water supplies. Many of these specific assignments are already in the Guard's Cold War-era defense plans and could be resurrected quickly. The Guard could work closely with the Centers for Disease Control's national disease surveillance efforts, providing swift analysis or rapid distribution of medicines when needed.

The second priority of the National Guard should be responding to terrorist attacks, particularly chemical or biological ones. The Guard maintains several Weapons of Mass Destruction Civil Support Teams, trained and equipped to react to biological, chemical, and nuclear attacks. Existing National Guard State Area Commands, already widely trained in crisis management, could in turn train the rest of the Guard in conjunction with state and local first responders to prepare for the consequences of such an attack. As many as one million firefighters, half a million local police officers, and 150,000 emergency medical workers should be prepared to respond to an attack by weapons of mass destruction.

Further, the Guard could be mobilized to repair and rebuild damaged infrastructures beyond the capability of civilian contractors; maintain civil order; and ensure the flow of vital supplies and equipment.

With 450,000 highly trained men and women serving in 3,100 communities nationwide, the National Guard has the infrastructure to bring people to bear quickly in any crisis that may arise. The Army and Air Guards together are appropriated $17 billion annually by Congress, thereby sustaining the nation's oldest component of the armed forces.

Dating back to the English colonies in the 17th century, the Guard began as a means of defending communities against enemies. The Guard was retained and given specific duties with the ratification of our Constitution. Congress has used the Guard as a key instrument in the process of raising armies since the beginning of the republic. In both 1917 and 1940, the Guard was used to double the size of the regular Army instantaneously; eventually, 19 divisions participated in World War II. More than 138,000 Guardsmen were mobilized for the Korean War. In addition, National Guardsmen have contributed to efforts in the Berlin Crisis, the Vietnam War, Desert Storm, Somalia, Haiti, Bosnia, Kosovo, and numerous other campaigns around the globe.

Most recently, the National Guard has seen action in Afghanistan, where two Guardsmen were killed in the line of duty. The Guard also commands Joint Task Force 160 at Guantanamo Bay, Cuba, which houses detainees from the al Qaeda network.

> With **450,000** highly trained men and women serving in 3,100 communities **nationwide**, the National Guard has the infrastructure to bring people to bear **quickly** in **any crisis** that may arise.

The National Guard's modern role stems from the end of the Cold War, when Guard ranks were recrafted as primary reserves for the Army and Air Force. Now, a decade later, the time has come for the Guard to return to its constitutional role as the primary defender of the homeland.

This is necessary because there are limits to what role the Army and Air Force can perform domestically. The Posse Comitatus Act of 1878, still in effect today, prohibits the use of federal military forces raised under the "armies clause" in civilian law enforcement. The law was meant to preclude a recurrence of abuses that occurred during Reconstruction and were historically associated with using the military in domestic law enforcement—and that should not change. However, when employed in its constitutional role—other than as a military reserve—under the supervision of a civilian authority, such as a governor or anyone else Congress may direct, the Guard may freely pursue its constitutional task of executing the laws of the Union.

The National Guard has a sound organizational structure, extensive training, technology, and talent that can and should be applied to all aspects of the war on terror. It has shown this time and again, in combat on foreign soil and at home. Now that expertise and experience must be brought home to protect the nation from rogue nations as well as terrorist groups. ◆

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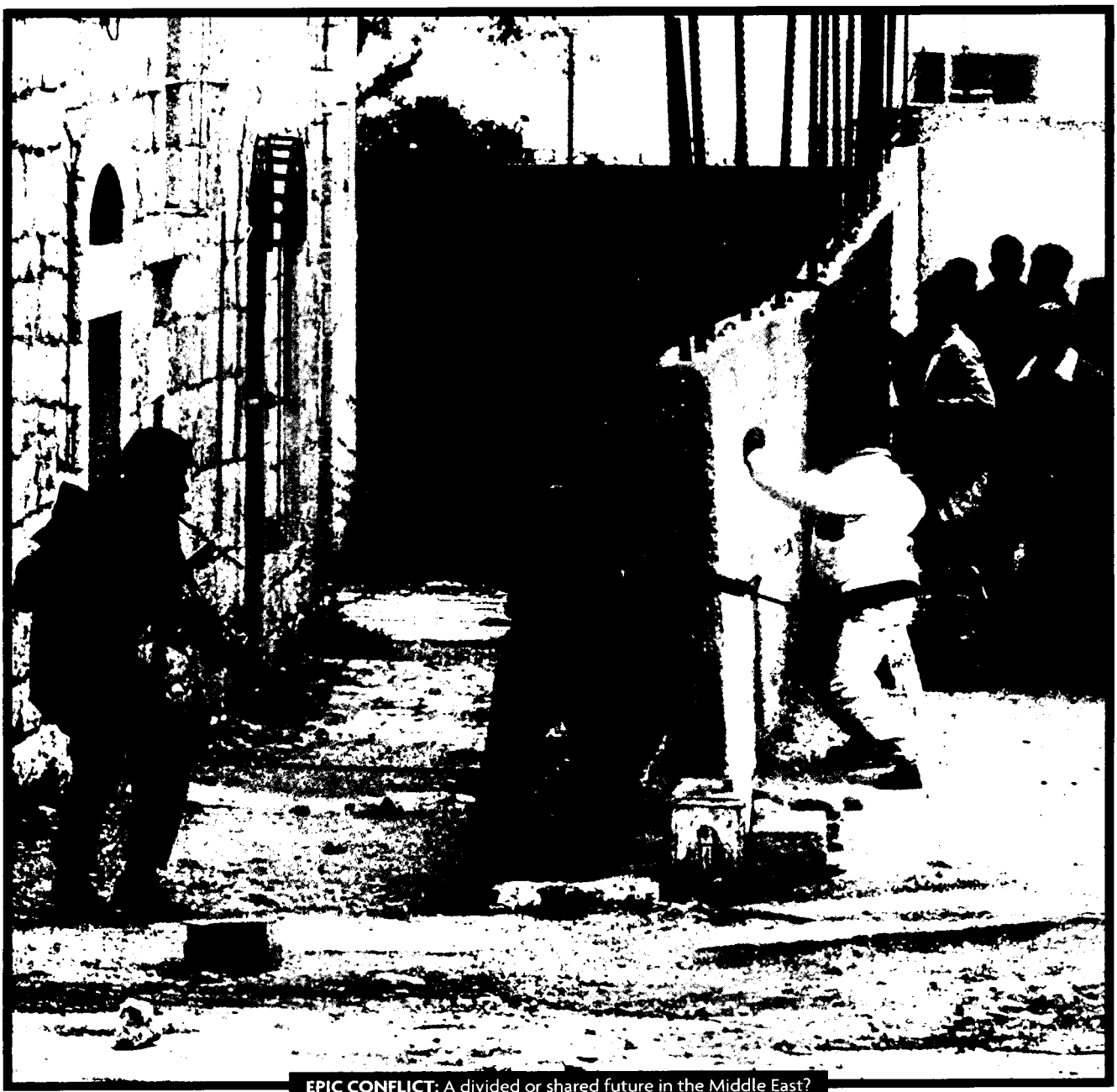
The Next Ideas Battle

The political and ideological world should do what the economic world has already done—develop a global consciousness of inclusion. | *by* **William J. Clinton**



EPIC CONFLICT: A divided or shared future in the Middle East?

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The central reality of the 21st century world, as the spread of worldwide terrorism and the vulnerability of the United States to it demonstrate, is that our era is globally interdependent but far from integrated. We learned on Sept. 11 that the very forces of globalization we helped to create—open borders and commerce, easy travel, instant communications, instant transfers, and widened access to information and technology—can be used to build or destroy, to unite or divide.

At the same time, old confrontations have taken on frightening urgency, especially the India-Pakistan conflict over Kashmir and the violent stalemate in the Middle East. Progress on these and other global challenges requires us to develop a larger strategy for American foreign policy, rooted in a fundamental commitment to move the world from interdependence to an integrated global community committed to peace and prosperity, freedom and security.

At the heart of all these struggles is a global battle of ideas, especially in the Islamic world, where fundamentalist rivalries have twisted religion to justify suicide assassination of innocents as a legitimate political tool blessed by Allah. This epic battle revolves around three very old and very fundamental questions: Can we have inclusive communities or must they be exclusive? Can we have a shared future or must our futures be separate? Can we possess the whole truth or must we join others in searching for it?

These dilemmas present perhaps the most enduring conundrum of human history: Can people derive their identity primarily by positive association or does life's meaning also require negative comparison to others? From the time people came out of caves and formed clans, their identities were rooted both in positive associations with their own kind and negative views of those who were outside their community. This kind of self-definition has dominated human societies for most of the 6,000-plus years of organized civilization. For all the progress in the past, we nearly destroyed the planet in the first half of the 20th century. The idea of a global community of cooperating members was not institutionalized until the United Nations was founded in 1945. Achieving it was not a practical possibility until China decided in the 1970s to move toward the rest of the world and the Berlin Wall fell in 1989. Since then the world has been consumed with religious, racial, ethnic, and tribal conflict.

Clearly, hostility and violence among different peoples are not genetically foreordained. People may be mutually suspicious of "the other," but they have to be taught and led to kill.

Our challenge is to figure out how people can enjoy the benefits and identity of their discrete communities and still successfully be part of larger communities. The European Union is a shining example of how former enemies can retain national identity and still become close allies.

An idea of community requires belief in a shared, not a separate, future, one in which everybody counts, everybody has a role to play, and we all do better when we help each other. Belief in a shared future requires rejecting the radical fundamentalist claim to possess the whole truth in favor of the belief that life is a journey in search of the truth and that we all have something to contribute. That leads us to the core of what we value in the integrated global community: Our differences are important, but our common humanity matters more.

The challenge of Islamic radicals embodies all of these fundamental issues. People who support Osama bin Laden and believe in his vision of the world want exclusive, not inclusive, communities. They insist on a separate future based on their version of the truth. These elements are all at the root of the India-Pakistan conflict and the divide between Palestinians and Israelis. The violent groups with exclusive claims to a separate future are active in Indonesia, the Philippines, Colombia, and elsewhere.

The political and ideological world needs to do what the economic world has already done—develop a global consciousness that allows for inclusion, a shared future, a cooperative search for truth. This is not, as some have asserted, a Western concept. The fastest growing economy in the Middle East is Dubai, a Muslim country actually seeking residents from other nations and quietly integrating with the modern world. The leaders of Dubai have chosen a shared future rooted in tomorrow's possibilities.

Turning these ideas into action will take time and will require more than talk. We must fight the terrorism and violence that threatens to destabilize the world with an aggressive security and foreign policy designed to produce more partners and fewer terrorists.

Our security policy should include five major elements:

First, we should support President Bush and our military in finishing the job of getting Osama bin Laden and the other al Qaeda leaders out of Afghanistan.

Second, we must do everything we can to end the North Korean nuclear missile program. This is a very big deal: The North Koreans may not be able to grow enough food to feed their people, but they are world-class missile builders, and they sell their missiles to our adversaries.

During my administration we succeeded in ending North Korea's nuclear program and its testing of long-range missiles; at the end of my second term, we came close to an agreement to end its missile program entirely. The key to the final agreement was to be a presidential visit to North Korea. I was willing to go, but in the last several weeks of my administration we had

William J. Clinton was the 42nd president of the United States and is a former chairman of the Democratic Leadership Council.

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to focus all our energies on the apparent chance to achieve a Middle East peace agreement. I decided not to risk this chance by taking a trip that would have had to include South Africa, China, and Japan.

I remain convinced that an end can be negotiated to the North Korean program if the Bush administration makes it a high priority.

Third, we must constrain the production and distribution of chemical, biological, and small-scale nuclear weapons. We know that Saddam Hussein is a continuing concern because his laboratories are busy. His military is much weaker than it was at the time of the Persian Gulf War, but the threat of his labs is real. It is not as immediate as the need to restart the Middle East peace process and stop the violence there and it may not require an invasion, but it must be addressed.

Fourth, we should increase the capacity of our friends to deal with terror. I support what President Bush is doing to help President Arroyo in the Philippines. I also believe the president is right to broaden the uses of our aid to Colombia, to save the oldest democracy in Latin America from takeover by the guerrilla group called the Revolutionary Armed Forces of Colombia, or FARC. The FARC are in fact terrorists in the service of narco-traffickers who are trying to make Colombia the world's first narco-state.

We should also support our friends in Africa who are trying to organize themselves into coherent societies. One of the best ways is to continue funding the Africa Crisis Response Initiative. Started during my administration, this program provides U.S. support for a mixed African military force that can go wherever it is needed, so that Africans can be their own peacekeepers and deal with their own terrorists and tribal conflicts. I hope the Bush administration will not cut funding for this program.

Fifth, we have to improve domestic defenses and cooperation. I support the creation of a new Department of Homeland Security as long as it has the authority to keep all the related agencies in close cooperation and it has immediate access to all intelligence.

More partners, fewer terrorists. In addition to these five defensive steps, it is critical to our new foreign and security policy framework that we have a vision, as our predecessors did after World War II, for building a better world with more partners and fewer terrorists.

The guiding principle of this reordered world comes directly from the Third Way philosophy: empowerment, opportunity, and responsibility.

First, we should have more, and more effective, international institutions. We already see the success of the North American Free Trade Agreement and the World Trade Organization. We see the wisdom of bringing China into the WTO. Our commitment to the Free Trade Area of the Americas and free trade are sound. We were right to ratify the Chemical Weapons Convention, expand NATO, and support the growth of the European Union.

On the other hand, I think the Republican-controlled U.S. Senate was wrong to reject the Comprehensive Test Ban Treaty my administration negotiated, a decision with which the Bush administration unfortunately agrees. I believe the administration was wrong to walk away from the Kyoto agreement and International Criminal Court protocol we signed. Rejecting Kyoto will make it harder for us to fight the scourge of environmental degradation, especially global warming and the related deterioration of the oceans.

Second, we should provide more targeted debt relief for the world's poor nations. The debt relief that we promoted in 2000 has already produced some stunning results because it was based on the requirement that all of the savings go into education, health care, and development—providing opportunity while demanding responsibility. This initiative received broad international support and had great bipartisan backing in the U.S. Congress. We should continue it with a new round that includes countries that have incomes above today's eligibility limit but also have high and debilitating rates of AIDS and HIV.

Third, we should increase investment in foreign assistance. America spends a smaller percentage of its income on foreign assistance than any other developed nation. President Bush took a good first step when he pledged to increase our foreign assistance by $10 billion to $15 billion annually at the foreign aid summit in Monterrey, Mexico, last March. But that will still leave us 20 percent, as a percentage of national income, below the last budget written by a Democratic Congress in 1994. United Nations Secretary General Kofi Annan has asked for $10 billion a year to fight AIDS and other infectious diseases. We should pay our share. Over 100 million children in poor countries are not in school. In 2000, we allocated $300 million to pay for one good meal a day to poor children if they would go to school to get it. Impressive enrollment increases resulted. We should do more of this.

Fourth, we should intensify our efforts to bring peace in the world's most troubled places, the Middle East and the Indian subcontinent.

With a strong security policy, a vigorous effort to create more partners and fewer terrorists, and an unrelenting struggle to win the battle of ideas, America can do a great deal to move the world from interdependence to integration in a global community that is a fitting world for all our children. ◆

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Third Way will rise again

Conservative parties have been on an electoral roll lately, toppling center-left governments from Washington to Rome, Paris to Amsterdam. But let's not toss the Third Way—the movement to modernize progressive politics—into history's dustbin just yet.

For one thing, the Third Way pulse beats strongly in Britain, where Tony Blair's New Labour party has thoroughly marginalized its Tory opponents. For another, the right's gains don't add up to a Fourth Way—a compelling narrative of political change to rival the story of center-left rejuvenation.

In fact, the new center-right governments apparently have come not to bury the Third Way, but to imitate it. Witness George Bush's attempts to cast himself as a centrist, "compassionate conservative" and his brazen filching of New Democrat ideas on education, welfare, and national service.

More fundamentally, though, there are two reasons to think that the Third Way will rise again. First, most progressive parties in the transatlantic world know they can't go back to the old left dogma of class conflict, welfare paternalism, and big, bureaucratic government. They must modernize or die. Second, center-right parties have shown little imagination in responding to globalization's discontents or the rise in Europe of a new populism centered on the combustible issues of crime, immigration, and national identity. Their failure opens a window of opportunity for the center left.

For the moment, however, there's no denying the right's ascendancy, at least at the ballot box. Beginning with Bill Clinton's New Democrat campaign of 1992, the modernizing impulse spread quickly to Britain and Germany and culminated by decade's end with center-left governments in 13 of 15 European Union countries. Today the center-right holds power in Washington and 13 EU capitals.

The past year's reverses have been particularly brutal. The left lost power in Italy, Denmark, Portugal, the Netherlands, and France. And while German Chancellor Gerhard Schroeder remains personally popular, his Social Democrats are trailing their conservative opponents in polling for this fall's elections.

In June, progressive activists from America, Britain, and continental Europe gathered at Hartwell House outside London to plot the Third Way's comeback. The strategy session, which featured appearances by Blair and Clinton, highlighted three distinct challenges facing center-left reformers.

In the United States, Democrats must find a way to break a prolonged stalemate in national politics that has produced divided government, toxic partisanship, and profound cynicism about what politics can accomplish. To build a new progressive majority, the party needs new ideas that expand its appeal beyond core supporters—bold initiatives for making Americans safer, reviving the economy, narrowing cultural divides, and reorganizing the public sector around modern information networks.

In Britain, New Labour's chief task is to maintain the momentum of reform. Chancellor of the Exchequer Gordon Brown reminded the Hartwell House group that Labour's fate hinges on its continued ability to exercise fiscal prudence and manage a dynamic, growing economy. That will generate resources the government needs to keep its pledge to improve public services like health care and transportation—but new spending must be tied to serious reform of archaic public-sector bureaucracies.

On the Continent, center-left parties must show economic competence by reducing persistently high unemployment—nearly 10 percent in France and Germany. But as the fall of Holland's center-left government in May showed, even a strong economic performance isn't enough, as mounting concerns about crime and immigration thrust social and cultural values into the political cauldron.

There's a spreading populist revolt against Europe's technocratic and insular elites, who seem unwilling to confront crime, the growing economic and social isolation of immigrant communities, and eroding national identity and sovereignty. Though immigrants are the main target now, Dirk Benschop, Holland's former foreign secretary, predicted that "European integration and enlargement will be the next target of the populist right."

Enfolded in the elite consensus, neither Social Democrats nor mainstream conservatives offer credible responses to these concerns. Center-left reformers can fill the vacuum. Taking a page from Clinton and Blair, they can offer crime-fighting innovations that focus on prevention and punish real malefactors, not the poor. Drawing on America's long experience with assimilation, the center left should offer immigrants a clear path to full citizenship based on equal rights and mutual responsibilities. And progressives can be for European integration while also insisting that the EU stop empowering bureaucrats and start instead to open its institutions to far greater democratic participation and accountability.

The center-left will rise again—when it recaptures the Third Way's spirit of innovation and radical pragmatism. ◆

Will Marshall is president of the Progressive Policy Institute.

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The Gubernatorial

by **Ed Kilgore**

In 1994, Republicans broke Democrats' New Deal lock on a majority of statehouses. But in 2002, Democrats may regain the advantage.

Most people in politics remember Nov. 8, 1994, as a landmark date, one indelibly associated with the first Republican takeover of both houses of Congress in 40 years and the sudden advent of a gloating, glowering House Speaker-elect Newt Gingrich as a Washington colossus.

But in statehouses across the country, another Republican revolution occurred that day, one of equal importance. The GOP made a net gain of 10 governorships and picked up control of 17 state legislative chambers. This gave the party a 30-19 edge in governorships (with one independent) and elimi-

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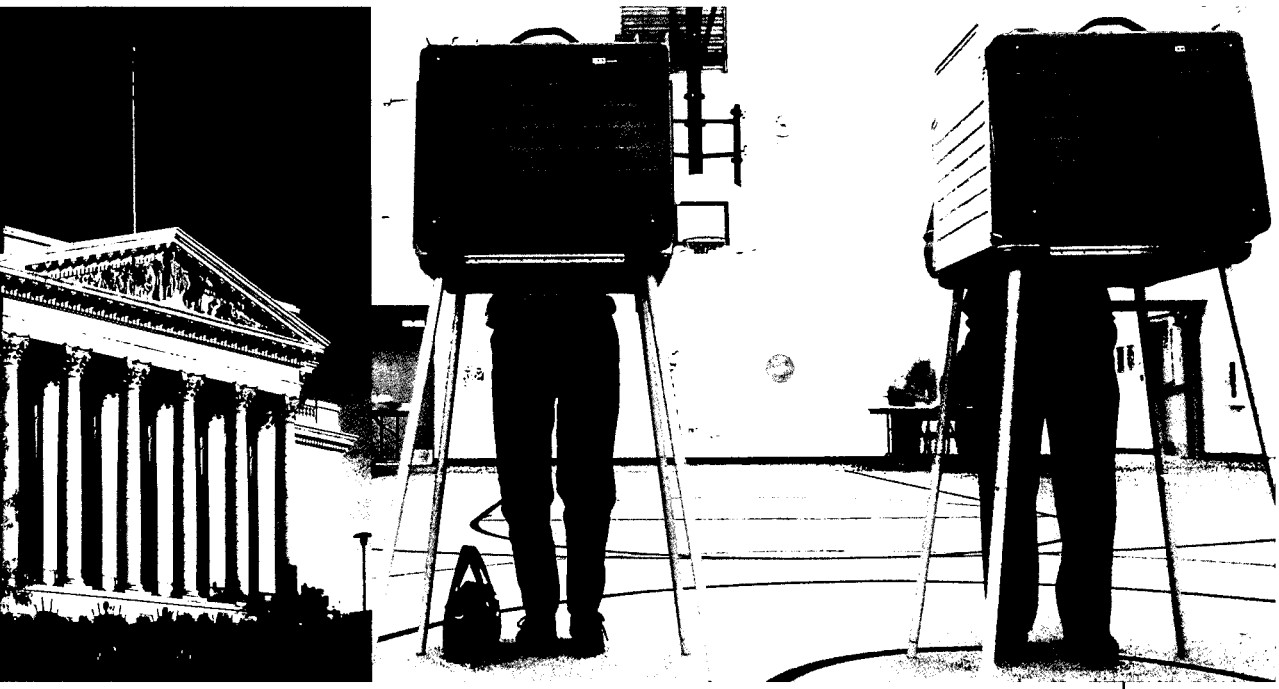

RED STATES REDUX? Voters seem poised to turn blue-state capitols like Wisconsin's, above, to red-state status.

nated a Democratic advantage in control of state legislatures that had stretched back to the New Deal.

The loss of governorships in 1994 wreaked especially long-lasting damage on the Democratic Party. Republican governors benefited enormously from the rapidly rising state revenues generated by the Clinton boom of the 1990s, which enabled them to simultaneously cut taxes and support popular spending programs. Thanks to the good times, most were re-elected four years later; after the 1998 elections, Democrats were down to 16 governors nationally. Positive media hype about "can do" Republican governors helped moderate the GOP's otherwise harsh, conservative image in the late 1990s and, incidentally, helped boost one of their number, George W. Bush of Texas, into the presidency in 2000. Meanwhile, Democrats lost opportunities to build a "bench" for higher office.

Slowly but surely, however, Democrats appear to be mounting a gubernatorial comeback, punctuated by wins in the 2001 off-year elections in two states that had been dominated by Republicans during most of the 1990s, New Jersey and Virginia. What makes 2002 a likely breakthrough year for Democratic governors is the lay of the land: Of 36 governorships at stake this year, 23 are held by Republicans and two by independents. Indeed, a big turnover in statehouses could wind up being the most important political story of November 2002.

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Here is a region-by-region analysis of recent and current trends in gubernatorial elections:

NORTHEAST

Along with the Midwest, the Northeast is the site of the "blue state, red governor" phenomenon and thus a potential source of significant Democratic gains in 2002.

President Clinton carried the entire region in 1996, and Al Gore won every state but New Hampshire and West Virginia in 2000. But Republicans won governorships in Massachusetts, Rhode Island, Connecticut, New York, and Pennsylvania in 1994, and they held all five states in 1998.

The Massachusetts race was turned upside down earlier this year when Republican Party leaders recruited 2002 Olympic chairman Mitt Romney, who managed to convince controversial interim Gov. Jane Swift to step aside. Meanwhile, five Democrats qualified at the state party convention to run in a September primary: state Treasurer Shannon O'Brien, state Senate President Tom Birmingham, former U.S. Secretary of Labor Robert Reich, and former state Sen. Warren Tolman. All the Democratic candidates were running ahead of Swift in trial heats before she dropped out of the race, but Romney appears to be more formidable, though the betting is still that this is a Democratic state where Republicans may finally run out of luck.

With GOP Gov. Lincoln Almond being term-limited this year, Rhode Island is a ripe target for Democrats. Three Democratic candidates—1994-98 nominee Myrth York, state Attorney General Sheldon Whitehouse, and state Rep. Tony Pires—will compete in a September primary, and the winner likely is to be favored against either of the two Republicans: former Bush/Cheney state chair Jim Bennett and businessman Don Carcieri.

Connecticut's Republican Gov. John Rowland is not term-limited and has a sizable early lead in polls over likely Democratic opponent Bill Curry (a former secretary of state and Clinton White House adviser). But Rowland is embroiled in a budget crisis that could erode his standing enough to make this a very competitive race.

Democrats should pick up at least two or three governorships in the Northeast.

Like Rowland, New York's GOP Gov. George Pataki is running for a third term, benefiting from his association with former Mayor Rudy Giuliani's Sept. 11 heroics, a big campaign budget, and lavish public spending and generous union contracts reminiscent of long-time New York Republican Gov. Nelson Rockefeller. Two candidates with New Democrat credentials are competing closely for the Democratic nomination in another late-September primary: former U.S. HUD Secretary Andrew Cuomo and state Comptroller Carl McCall.

Another New Democrat, former Philadelphia Mayor Ed Rendell, is favored to take back the Pennsylvania governorship against Republican Attorney General Mike Fisher (interim GOP Gov. Mark Schweiker decided not to run for a full term), after defeating state Auditor Bob Casey Jr. in a tough primary. In current polls, Rendell is benefiting from strong support among suburbanites, including many Republicans attracted to his pro-choice and pro-growth platform.

Democrats Howard Dean of Vermont and Jeanne Shaheen of New Hampshire are vacating governorships to run for higher office, but Democrats are favorites to replace them. In New Hampshire, two Democrats, state Sen. Mark Fernald and state Senate Democratic Leader Beverly Hollingworth, are competing in a September primary, with the winner facing either businessman Craig Benson or Gordon Humphrey, former U.S. senator and conservative firebrand. In Vermont, early polls show Democratic Lt. Gov. Doug Racine with a sizable lead over Republican state Treasurer Jim Douglas, although third-party candidates could be a wild card.

In Maine, Independent Gov. Angus King is stepping down, and U.S. Rep. John Baldacci is heavily favored to defeat any of a large field of Republican candidates, led by former state Rep. Peter Cianchette. As in Vermont, third-party candidates could be a factor.

No Republican has governed Maryland since Spiro T. Agnew, and although U.S. Rep. Bob Ehrlich is considered a strong candidate, Democratic Lt. Gov. Kathleen Kennedy Townsend remains the favorite.

The bottom line: Democrats should pick up at least two or three governorships in the Northeast.

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SOUTH

The Democratic gubernatorial comeback really began in the South in 1998, with the Dixie Trifecta of victories by New Democrats in Alabama, Georgia, and South Carolina, all against the odds; continued in Mississippi with Ronnie Musgrove's 1999 win; and expanded in 2001 with Mark Warner's stunning success in Virginia, perhaps the classic "red state" in terms of recent elections.

In 2002 Democrats must defend the Dixie Trifecta, while taking advantage of good opportunities to pick up Tennessee and Texas. They have a longer but realistic shot in Florida and Arkansas.

In Alabama, Gov. Don Siegelman faces U.S. Rep. Bob Riley, who easily won a multi-candidate GOP primary. Early polls show a close race. How to finance school improvements, especially in the wake of voter rejection of a constitutional amendment to create a state lottery, is the big issue.

In Georgia, Gov. Roy Barnes remains a heavy favorite to win re-election, with a large financial advantage over a divided Republican field that includes state Sen. Sonny Perdue, Cobb County Commission Chairman Bill Byrne, and state School Superintendent Linda Schrenko. No Republican has won the governorship of Georgia since Reconstruction.

And in South Carolina, Gov. Jim Hodges has a narrow but steady lead over former U.S. Rep. Mark Sanford, who won an exceptionally nasty GOP primary runoff in which bad feelings left over from the 2000 Bush-McCain primary contest were an important factor. Sanford is calling for a repeal of the state income tax—an interesting test of whether the tax issue still works for Southern Republicans.

In all three Dixie Trifecta states, heavy African-American turnout was the key to Democratic wins in 1998. Turnout patterns, possibly affected in Georgia and South Carolina by highly competitive U.S. Senate races, will be critical this year as well.

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MIDWEST

The big news in the Midwest is that Democrats are favored in three other "blue states" with long-time Republican governors: Michigan, Illinois, and Wisconsin. They are also favored in Minnesota, where maverick Independent Gov. Jesse Ventura has decided not to run for re-election.

Current polls have two New Democrats, state Attorney General Jennifer Granholm and former Gov. Jim Blanchard, running well ahead of U.S. House Minority Whip David Bonior in Michigan. All three have comfortable leads in the polls over Republican Lt. Gov. Dick Posthumus.

In Illinois, U.S. Democratic Rep. Rod Blagojevich has a narrow lead in most polls over state Attorney General Jim Ryan in a campaign dominated by a continuing ethics scandal enveloping the administration of outgoing GOP Gov. George Ryan.

And in Wisconsin, with the departure in 2001 of long-time Republican Gov. Tommy Thompson, his successor, Scott McCallum, is thought to have an uphill battle against any of three Democrats, state Attorney General Jim Doyle, U.S. Rep. Tom Barrett, or Dane County Executive Kathleen Falk.

Independent Gov. Jesse Ventura has decided not to run for re-election.

With Ventura no longer a factor in Minnesota, the Democratic nominee, state Senate Majority Leader Roger Moe, is the early favorite over Republican House Leader Tim Pawlenty. But former Democratic congressman Tim Penny, running as the candidate of Ventura's Independent Party, could make this a close three-way race.

Iowa's Democratic governor, Tom Vilsack, is well ahead of Republican Doug Gross in early polls.

Ohio GOP Gov. Bob Taft remains the heavy favorite as of this writing over former Cuyahoga County Commissioner Tim Hagan, thanks to a huge fund-raising advantage, though the Taft campaign has been buffeted recently by a conservative backlash against the governor's tax policies, and by his decision to choose a pro-choice running mate.

The bottom line: Democrats should pick up at least three governorships in the Midwest.

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SOUTH, *continued from page 43*

In Tennessee, unpopular outgoing GOP Gov. Don Sundquist is openly feuding with the likely Republican nominee, U.S. Rep. Van Hilleary, who opposes Sundquist's tax policies. Republican disunity and palpable voter fatigue with GOP rule have made the likely Democratic nominee, former Nashville Mayor Phil Bredesen, the front-runner.

The Texas race will draw an enormous amount of national attention, in part because it is the president's home state and in part because Democrats have nominated a historic "dream team," an ethnically diverse but centrist ticket led by African-American Senate candidate and former Dallas Mayor Ron Kirk and Hispanic gubernatorial candidate Tony Sanchez. Sanchez, a Laredo businessman, won a tough primary over former state Attorney General Dan Morales and is devoting his considerable personal wealth to his campaign and the state ticket. Sanchez still trails Gov. Rick Perry in early polls but has tightened the race. Without question, a strong black and Hispanic turnout is the key to Democratic prospects in Texas, and Republicans are visibly nervous about the campaign and its possible national implications.

In Arkansas, incumbent GOP Gov. Mike Huckabee was expected to be re-elected without serious opposition until state Treasurer Jimmie Lou Fisher jumped into the race and easily won the Democratic nomination. In yet another state where turnout will be influenced by a highly competitive Senate race, Fisher is a legitimate threat to win, especially given Huckabee's state budget problems.

Finally, in Florida, a September primary will determine whether the front-runner, former U.S. Attorney General Janet Reno, or the fast-rising Bill McBride, a wealthy trial lawyer who has won a long string of labor and elected-official endorsements, will take on GOP Gov. Jeb Bush. The 2000 Florida presidential saga is expected to overshadow this race, which could produce a high turnout. Mixed reviews of Bush's education record will be a key substantive issue.

The bottom line: Democrats should net at least one governorship in the region.

PLAINS AND MOUNTAINS

This is the heartland of the state-level Republican Revolution. On the eve of the 1994 elections, there were seven Democratic governors in this 12-state region. Today there are none. But that is very likely to change this November.

In New Mexico, Bill Richardson, former congressman, energy secretary, and ambassador to the United Nations, is the odds-on favorite to beat Republican state Rep. John Sanchez. Richardson is leading by nearly a two-to-one margin in early polls. The controversial Republican incumbent, Gary Johnson, is term-limited.

In Arizona, New Democrat Attorney General Janet Napolitano is heavily favored to win a September primary over three lesser-known rivals and has an early edge in the polls over all three major Republican candidates: former U.S. Rep. Matt Salmon, state Secretary of State Betsey Bayless, and state Treasurer Carol Springer. The three are engaged in an increasingly bitter primary struggle.

Three Arizona Republicans are engaged in an increasingly bitter primary struggle.

In Kansas, another New Democrat rising star, state Insurance Commissioner Kathleen Sebelius, is now the acknowledged front-runner, thanks to a bizarre series of entries and withdrawals in a big GOP field, complicated by a bitter split among moderates, led by term-limited incumbent Bill Graves, and conservatives, led by the leading candidate to succeed him, state Treasurer Tim Shallenburger. An August primary will determine whether Wichita Mayor Bob Knight or state Senate leader David Kerr can overcome Shallenburger and whether Kansas Republicans can regain unity.

And in South Dakota, the race between Democrat Jim Abbott, a former state university president, and Republican Mike Rounds, a former state senator who was an upset winner in a nasty GOP primary, is rated as a toss-up.

Democrats are also optimistic about pulling off an upset in Wyoming, where two candidates, former U.S. Attorney David Freudenthal and attorney Paul Hickey, are considered competitive with a large GOP field led by former state House Speaker Eli Bebout.

The bottom line: Democrats should pick up at least three governorships in the region.

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PACIFIC COAST

In sharp contrast to the Plains and Mountains region, all five Pacific Coast governors are Democrats. Those in Alaska, Hawaii, and Oregon are term-limited, and Washington's governor is not up for re-election this year.

In the much-watched California race, incumbent Democrat Gray Davis has opened up an early and growing lead—and maintains a large financial advantage—over Republican nominee Bill Simon, whose controversial and very conservative positions continue to get him into trouble. Few Republican insiders think the GOP can win this race.

Former state judge Ted Kulongoski won the Democratic nomination in Oregon to replace term-limited Gov. John Kitzhaber and will face conservative former state Rep. Kevin Mannix. Kulongoski has a big lead in early polls and should also benefit from perceptions that Mannix is far too conservative for Oregon on social issues.

Republican hopes in the region are focused on Alaska, where U.S. Sen. Frank Murkowski is coming home to run for governor. Murkowski will almost certainly face Lt. Gov. Fran Ulmer in November. Murkowski has a comfortable if not overwhelming lead in early polls, but Ulmer is expected to become very competitive, in part because of the enormous attention being paid in the state to Murkowski's unsuccessful efforts in the Senate to open up Alaska public lands to oil drilling.

Few Republican insiders think the GOP can win the much-watched California race.

And in Hawaii, Republican and former Maui Mayor Linda Lingle, who lost a huge lead to narrowly lose the governorship in 1998, is again the front-runner, in part because her presumed Democratic rival, Honolulu Mayor Jeremy Harris, abruptly dropped out of the race in late May. But now Lt. Gov. Mazie Hirono has entered the race and will probably win the Democratic nomination. Hawaii remains a heavily Democratic state, and the race may again hinge on Lingle's ability or inability to appeal to Democratic voters.

The bottom line: Democrats can't gain here and would probably be happy with a loss of one governorship. ◆

CONCLUSION

The landscape currently favors a net Democratic gain of eight to nine governorships, with especially strong showings in the Northeast and Midwest, where Democrats should begin to regain their strength in "blue states," and in the Plains and Mountains, where superior Democratic candidate selection gives them a chance to break a long drought.

If these predictions are accurate, Democrats would regain a solid majority of governorships and would also gain a new group of high-profile political leaders around the country. Another likely political story line in November is the remarkable number of women who are likely to win governorships on Democratic tickets this year. By our count, 11 women have either won nomination or are front-runners, and all of them have a good chance of success in the general election.

And as always, the vast majority of Democratic gubernatorial nominees and front-runners around the country are self-styled centrists, and in many cases self-described New Democrats, reflecting the New Democrat movement's legacy as the "problem-solving" and governing wing of the Democratic Party. ◆

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Latino Voters

by **Harry P. Pachon**

As they disperse throughout the nation, Latinos will count in far more elections. But a one-size-fits-all strategy won't woo them.

There is much talk about President Bush winning more hearts and votes of the fast-growing Latino population, but behind closed doors many top political operators still conclude that the key fact about Latinos is that they are significantly less likely to vote than other Americans. But settling on this fact misses the larger and more critical point: Even with a smaller proportion of Latinos going to the polls, Latinos are increasingly significant at the national level, and in selected states they constitute a substantial segment of the electorate.

It's not just that the Latino proportion of the electorate is growing rapidly, increasing by nearly 133 percent in the past 20 years compared with the 19 percent rate for the national electorate. More critically, in selected states the Hispanic electorate has the clear potential of being the much heralded swing vote. Already it takes only 3.6 percent of Latino voters in California, 2.7 percent in Texas, 1.7 percent in New Mexico, and 4.4 percent in Florida to make a 1 percent change in the statewide election. With this potential to put candidates over the top, Latino voters will be defining political reality in more and more states.

To illustrate how Latinos will shape political reality, this article

CINCO DE MAYO: May Fifth festivals, popular with Mexican-Americans, may become important political events in many communities.

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provides an updated overview of their growing population, political allegiances, and policy preferences.

One of the most important Latino population shifts shaping politics is the way Latinos are rapidly dispersing throughout the nation. For example, while two out of three currently live in the six states of California, Texas, New York, Florida, Illinois, and New Jersey, nine of the 10 counties with the fastest-growing Latino populations are in North Carolina, Georgia, and Arkansas. Through dispersion, Latino voters will potentially swing elections in many more urban, suburban, and rural districts in states that heretofore haven't had much Latino electoral participation.

Dispersion and rapid population growth also means that Latinos are increasingly outnumbering other minorities. In 1990, they outnumbered blacks and Asian-Americans combined in just 13 states, but now Latinos outnumber them in 23 states.

The rising proportion of Latinos in more and more districts matters politically because Latinos differ from non-Latinos along demographic lines highly correlated with voting behavior. Specifically, Latinos are more likely to be young, married with children, churchgoers, relatively uneducated, and poor or working class, and elections commonly split along those lines. Consider the facts:

• Close to three in five (57 percent) of Latino registered voters are under the age of 44, compared with 45 percent of white non-Hispanic, and 56 percent of black registered voters.

• Many of these young registered voters are among the one in three Latinos nationally who live in metropolitan-area households made up of two parents and their children. By comparison, only one in five whites is part of such a household.

• Nearly half of all Hispanic voters attend church once or more each week compared with 42 percent of whites.

• One-quarter of the Latino electorate has less than a high school diploma compared with 8.6 percent of the white and 18 percent of the black electorate.

• Compared with the white majority of the electorate, Latinos are half as likely to be part of families earning more than $75,000. Moreover, while almost one in five (18.3 percent) married Latino parents is raising his or her children in poverty, only 4 percent of white married parents and 7percent of blacks are.

• Drawing from their economic condition, Latinos chose "working families" over an ethnic (Mexican-American, Cuban-American) or pan-ethnic (Hispanic/Latino) group identification when asked in a national poll what group they most identify with.

Although largely united as "working families," there are differences among Latinos that suggest it would be a mistake to adopt a one-size-fits-all strategy toward Latino voters. For example, generational differences are seen in the way Democratic Party identification grows stronger from the first-generation foreign-born (25 percent) to Latinos of the third generation and beyond (44 percent). While there is no doubt that Hispanics of all generations overwhelmingly support the Democratic Party, President Bush's small but noteworthy success courting Latinos reflects these generational differences. Signs of an increasing split between Latinos'

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PACHON, *continued from page 47*

presidential and down-ballot preferences suggest that his aggressive courtship is changing opinions, especially among first-generation Spanish-speaking voters.

Latino voters in general also differ from their nonvoting counterparts in that they are more likely to be native-born, female, and older (by an average of 10 years). There are also significant cultural and regional differences among Latinos, illustrated by the greater conservatism among Cuban-Americans and to a much lesser degree, Texan Latinos.

Altogether, however, Latino partisan attachment does not flow from a simple ideological or ethnic paradigm. Part of the reason is that Hispanics cannot easily be categorized ideologically; they range from liberal on job creation and immigrant assistance to conservative on school prayer and welfare. The most important issue for Latino voters is education, but moving down the income scale, economy and crime become more important, which underscores how economic class might play a bigger role in shaping Latinos' working-families policy preferences than does ethnicity.

Because the Democratic Party is traditionally seen as the party of working families, Democrats have an advantage in retaining Latinos' allegiance. Virtually all survey and demographic data suggest that traditional Democratic Party positions on health insurance, gun control, education, and worker retraining resonate well among Hispanics. But political approach is key: A candidate must present a working-families agenda in terms of providing the tools for upward mobility, not the platform for an aggrieved minority group.

Like the immigrants of yesteryear, Latinos believe the Horatio Alger dream. While millions struggle against poverty, the evidence suggests Latinos are upwardly mobile and more hopeful about their chances for the future than they are resentful about unfair discrimination in the past and present. A recent Bendixen poll found that more than four in five believe "no matter how poor you start out in this country, you can make it if you work hard." And while the *barrios* that many Latinos live in do not represent anywhere close to ideal living conditions, life is still better in the *barrios* than in the countries many Latinos or their parents came from. Moreover there is a growing Latino middle class fueled in part by record-breaking rates of improvement in joblessness and business ownership during the 1990s.

> The most important issue for Latino voters is **education**, but **moving down** the income scale, economy and crime become more **important**.

Reaping the rewards. Given this positive outlook, Latinos will support an agenda based on the idea that government should reward hard work and personal responsibility with the tools people need to improve their lives and offer more opportunity for their children—access to health insurance, quality public education, job training, safe streets, affordable housing, and the privileges of citizenship.

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Bearing in mind Latinos' hopeful outlook and desire to be in the mainstream of opportunity, it would be counterproductive to take a political approach centered on Latinos as an aggrieved minority group. While it remains vital to aggressively counter unfair discrimination, Latinos' focus on the basic tools of upward mobility shows that they believe it is lack of those tools—not discrimination—that will set them back.

Championing an agenda for upward mobility that Latinos will support also means helping legal immigrants become new Americans and access the opportunities available in the economic mainstream. Efforts to win Latino voters by facilitating the challenging naturalization process will be most effective if they are linked to voter registration and voter education campaigns, as they were in the 1990s with the Clinton/Gore Citizenship USA campaign. This upward mobility agenda should also include more support for English classes for adults and public school reform, especially for struggling schools with large numbers of immigrant students.

In addition to targeting Latinos with these specific policies, it is important to get out the vote through influential Latinos, as opposed to non-ethnic voter drives. A recent report found that Latinos were more likely to vote when encouraged through such personal contacts. And as President Bush has illustrated, it is also important to campaign in Spanish, but campaigning for Latinos only in Spanish would miss many Latinos, particularly the young, who tend to get their information from the same media non-Latinos do.

While Latinos as a group are similar to non-Latinos in many ways, there are clearly some key differences, with significant political implications. Whether these differences sharpen or recede over time is difficult to determine. The important point to remember is that the voters in this heterogeneous group seek an agenda to empower them—and very notably, their families—with the tools for upward mobility. The party that delivers this agenda will find that the electorate long dismissively stereotyped as the "sleeping giant," will be determining more and more election outcomes in its favor. With 6 million-plus voters expected in the next presidential election and the political clout to swing statewide races in major states, Latinos are shaping political reality. ◆

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The New Economy lives!

Not just a flash in the pan, the New Economy boosted many states and communities.

by **Robert D. Atkinson**

Largely because of New Economy forces, America is already emerging from what may be the shortest slump in memory. This shows that the New Economy was not just a flash in the pan, but rather the kind of major economic transformation that comes about every half-century or so. Clearly, it's time for states to refocus their efforts on the task of restructuring their economies to meet the realities of the New Economy. The states that do well in five years will be those that continue to put in place a comprehensive state New Economy policy framework.

The 1999 State New Economy Index, published by the Progressive Policy Institute, laid out such a policy framework. The 2002 State Index, released in June, updates and expands that framework by discussing new goals and policy proposals that states can adopt to succeed. But one statement bears repeating: To succeed in the New Economy, states will need to overhaul their familiar approaches to economic development.

Before discussing specific policy proposals, it's important to look at the current state budget shortfalls. There is no doubt that the economic slowdown of 2001 has exacerbated state fiscal conditions. Projected revenue shortfalls in 2002 account for as much as 10 percent of state budgets. Some of these shortfalls result from the economic slowdown, but states are poorly positioned to respond. In spite of the good times of the 1990s, virtually all states ignored the advice of any sage financial planner to save for the future and instead focused their efforts on cutting taxes and expanding spending. The result, according to *Governing* magazine, is that the median balance of the 38 state rainy-day accounts was just 3.26 percent of general fund revenues. It would be even less if the median included all 50 states. As a result, most states are cutting expenditures, including economic development.

But, collectively, if states are to increase their revenues, there's only one way to do it: Boost the incomes of their residents, who will then pay more in taxes. Embracing the kinds of economic development strategies outlined below is a heightened priority in an era of slower fiscal growth.

SAVVY STATES: Tech centers like this one attract new knowledge workers.

Focus on the quality, not just the quantity, of jobs. For more than a generation, many states' economic development offices have been largely on autopilot, relentlessly pursuing the goal of adding more jobs—whenever, wherever, whatever. But in many states, focusing almost exclusively on getting more jobs does little to help residents earn higher incomes and enjoy a better quality of life. Some states that have been losing population, as well as regions with high unemployment or out-migration, want to retain a get-big strategy—or at least a don't-get-smaller one. However, for most states, the central focus of economic development should shift from adding new jobs to boosting incomes and creating better jobs for all of the state's residents. Governors should be able to claim credit if per-capita incomes in their states grew significantly on their watch.

Rather than simply trying to be a cheaper place in which to do business, each state should focus on being a better place. This means boosting the skills of the region's workforce, developing an environment that supports technological innovation, creating fast and responsive government, and ensuring a high quality of life that will be attractive to knowledge workers.

Know your state's function in the global economy. Crafting an economic strategy for the New Economy requires an acute understanding of the state economies and, in particular, how their key industrial sectors compete in a global economy. It behooves states to carefully analyze their economies to identify and assess the competitive position of their key industry clusters. For example, high-tech is not one industry, it is many, and each has different requirements and location patterns. A state's strategy should grow out of its unique industrial structure, economic assets and limitations,

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differences in sub-state regional economies, and business and civic culture.

But there is another key step. After analysis, a state must translate its knowledge into action, in both the private and public sectors. States should form economic policy councils that bring together key leaders in business, government, labor, civic groups, and higher education to provide in-depth analyses of the economy, develop creative economic strategies, and build widespread consensus for action.

Get smart about business incentives. While most states have added New Economy development policies in the last few years, many still maintain expensive, and often wasteful, industrial recruitment incentive programs. Collectively, states spend more than $15 billion annually on firm-specific incentives. Economic development incentives are seldom targeted to specific economic development goals, other than to "shoot anything that flies," while "claiming anything that falls." The time is ripe for states to seriously reform incentive policy and use the savings to invest in New Economy investments. Therefore, states should:

- Pass incentive disclosure laws.
- Require companies to repay incentives if they fail to live up to their end of the bargain.
- Make incentives contingent on higher wages.
- Require that incentives be paid for in near-term budgets.
- Use incentives to support the state's economic strategy.
- Use savings on incentives to expand New Economy investments.

Coinvest in workforce skills. States need to adopt policies to ensure that American companies have the skilled workers they need to be productive, while simultaneously ensuring that American workers have the skills they need to navigate, adapt, and prosper in the New Economy. States can do several things to improve the skills of the workforce:

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- Create incumbent worker training programs funded through a supplemental unemployment insurance tax.
- Design training programs that encourage firms to become learning organizations.
- Co-invest in industry-led regional skills alliances.
- Fundamentally reorganize programs funded under the 1998 Workforce Investment Act (WIA).
- Reimburse community colleges for non-credit career-prep enrollments.
- Establish tax credits for company investments in remedial education, literacy training, and English as a second language.
- Create "Learning Stores"—centralized sources of information on publicly supported workforce development programs.
- Boost science and technology college graduates.

Coinvest in an infrastructure for innovation. In an economy increasingly powered by technology and innovation, the ability of states to create an environment in which innovation thrives is critical to economic growth. But universities are not the only knowledge incubators; in fact, most knowledge is produced by companies. States need to foster strategies that enhance the ability of companies to produce and use knowledge. They should:

- Increase higher education funding to create key competencies that support New Economy growth.
- Boost university technology commercialization.
- Boost or create R&D tax credits.
- Create or increase tax credits for research investments at universities or federal labs.

Support industry clusters. In regional economies, the whole is often greater than the sum of the parts. In other words, firms in related industries often cluster together in a particular region, allowing them to take advantage of common resources (e.g., a workforce trained in particular skills; technical institutes; a common supplier base). But clusters are important for another reason: In a knowledge-based economy, producing knowledge is not enough; it must be used widely and shared, and in some regions clusters of firms that network and communicate are able to raise the overall knowledge levels that they can draw upon. Therefore, states should:

Beliefs About Economic Development in the Old and New Economies

In the old economy, people believed that:	In the New Economy, people believe that:
Being a cheap place to do business was key.	Being a place rich in ideas and talent is key.
Attracting companies was key.	Attracting educated people is key.
A high-quality physical environment was a luxury that stood in the way of attracting cost-conscious businesses.	Physical and cultural amenities are crucial to attracting knowledge workers.
Regions won because they held a fixed competitive advantage in some resource.	Regions prosper if organizations and individuals have the ability or skill to learn and adapt.
Economic development was government-led.	Only bold partnerships among business, government, and the nonprofit sector can bring about change.

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• Catalyze and empower industry clusters.

• Reorganize state programs around clusters.

Boost quality of life. A skilled workforce is now the most important factor of production, so a region's pool of skilled workers is a key factor determining success. In the old economy, workers moved to be near jobs. In the New Economy, companies increasingly want to be near the workers they need, especially knowledge workers. Because they are in greater demand and have more ability to be particular about whom they work for and where they work, knowledge workers often choose to live in places that provide a high quality of life in addition to a good job. An increasingly important determinant of quality of life is the degree of mobility enjoyed by residents. As a result, states should:

• Expand road capacity in congested metropolitan areas.

• Pay for new road capacity with user charges.

• Use information technology to modernize state transportation systems.

Help more regions suceed in the New Economy. In many states, the story of the 1990s was a common one: The state's major metropolitan areas boomed, while other parts of the state, including rural regions and smaller cities dependent on traditional manufacturing, lagged behind. Such development patterns hurt state economies by raising costs in congested metro areas and unemployment rates in other areas. It's incumbent upon states to develop and implement strategies that ensure that more regions thrive in the New Economy. Therefore, states should:

• Develop "balanced growth" economic development strategies.

• Focus efforts on a few "growth poles," rather than trying to help all nonmetro areas.

• Aggregate demand in underserved areas to build a market for broadband.

• Help industries located principally in nonmetro areas become more competitive. ◆

LAST CHANCE: A decade-long commitment to school reform has produced few results. Philadelphia schools like this one have been taken over by the state.

Time is running out on urban schools

A host of opposing forces thwarts reform.

by **Richard Whitmire**

In 1989 the nation's governors emerged from a gathering in Charlottesville, Va., with a vow that breathed new life into beleaguered urban schools: We promise to educate *all* the children, not just the easy-to-educate children.

What followed were five or more years of policy thrashing before settlement on a central strategy for achieving this goal: It was agreed that all students would undergo standardized testing and everyone—students, teachers, and administrators—would be held accountable for results. That strategy has produced some upward movement in test scores and drawn important extra dollars from the politicians. The problem is that it may not be enough.

Time is running out on the urban school reform movement. And not lifting inner-city schools out of the miasma of underperformance places an enormous drag on efforts to reinvigorate America's cities and turn them into attractive and

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livable communities for a thriving middle class.

While there have been some successes—measured mainly by rising test scores—any honest report card must note that they've not been striking enough to attract many middle-class taxpayers back into the inner cities. If the gains don't come faster, political leaders may simply allow urban school districts to slip back to their accustomed pattern of quiet failure.

What's holding urban schools back, however, is not a failure of will, goals, or effort. Rather, it is a host of opposing forces. They start with resistance from successful suburban districts that feel they do not need to be forced into the same straitjacket of testing-and-accountability reforms needed by the urban districts. Yet testing is a statewide matter; if it's necessary in Detroit, it has to be done in Grosse Pointe, too. Although accountability systems often produce embarrassing headlines about under-performing urban schools, inner-city superintendents like them anyway, because they keep funds flowing and the political spotlight on their problems.

Budget cuts are another trend that could cripple the rehabilitation of urban schools. These include the recent teacher layoffs in Buffalo, N.Y., as well as reductions in summer school programs that have proven to be effective for inner-city students, who suffer disproportionately from what educators call "summer loss."

Unfortunately, the list of negative forces goes on. One is the urban district problem of revolving door leadership, which produces sudden shifts in education policy. That's a primary reason why the largest public-private effort ever made to improve schools—a $1.1 billion investment in 2,400 urban schools led by philanthropist Walter Annenberg—reaped only small victories, according to a June 2002 report. The best it could claim were some rises in expectations and improvements in teacher quality.

Finally, the biggest challenge to urban school reform is the awful pull of poverty, especially concentrated poverty. One-third of the children in large Northeastern schools live in poverty. In high-poverty schools, students are a full three grades behind the students in low-poverty schools, according to a recent U.S. Department of Education report. These discrepancies are measured as early as fourth grade.

EARLY START: Students in Charlotte-Mecklenburg County, like these, reap the benefits of an urban-suburban system and special funding for high-poverty schools.

No one knows how much time urban districts still have before both politicians and the public give up on them. That may cause discontent with inner-city schools to spill over into the streets, with a demand for more radical solutions, such as vouchers, as an escape mechanism for parents determined to help their children. At risk is not only the momentum generated by the 1989 Charlottesville summit but even the central pledge of President Bush's education policy, "no child left behind." Signs of trouble already exist.

Running out the clock. The most lethal of the opposing forces is probably the pushback from suburban districts. Not only are wealthy districts such as Scarsdale, N.Y., rebelling against testing designed to identify the low performers, but governors of disparate states such as Vermont and Nebraska are opposing the Bush reforms, saying the costs appear to exceed the benefits. If the suburban schools win independence to set their own standards, that means urban schools will be granted lower standards. Lower standards will allow their problems to fade from view. How long would the president hold the line if his own party members stepped back from their commitment to urban renewal? The reform movement could die a slow, quiet death.

A noisier way of running out the clock is playing out in Philadelphia, where earlier this year the governor decided to take over the schools. This decision has led to political chaos, with street demonstrations and seat-of-the-pants reforms that appear to lurch in new directions every month.

Knowing there's a deadline makes learning the lessons of the successful districts an urgent task. Michael Casserly, executive director of the Council of the Great City Schools, which represents the big urban districts, put together a "Beating the Odds" study that shows payoffs for reform efforts. Last year, for example, 62 percent of urban districts registered math gains in all grades tested. Districts such as Charlotte, N.C., Sacramento, Calif., and Houston made gains that outstripped statewide gains. What's happening in these districts that isn't happening in districts such as Detroit, which is slipping further behind?

The best lessons. In Charlotte-Mecklenburg County, educators enjoy the ben-

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efits of a city-suburban combined district. To counter racial learning gaps, Charlotte educators increased the budgets of high-poverty schools by one-third, creating smaller classes. In addition, educators introduced a school-rating and staff-bonus system hinged on the progress made by each racial group. There were also dramatic payoffs in campaigns to steer more African-American high school students into advanced placement courses.

Sacramento, says Casserly, is an example of a district with stable leadership pursuing carefully paced, bottom-up reforms where everyone—parents, teachers and administrators—signed off on the goals and the methods. This is a district where the unglamorous work of aligning curriculum and improving professional development began paying handsome dividends: In some grades, the reading and math gains are nearly double the statewide gains.

Of the three districts, high-poverty Houston may hold the best lessons for the struggling urban districts with similar demographics. What happened there propelled its school superintendent, Rod Paige, into President Bush's cabinet as secretary of education.

The Houston story starts off as the Texas story, with a numbers-driven, statewide testing-and-accountability system that held every school responsible for educating all racial groups. From the beginning, however, Houston used that system as a tool to scour the schools for low performers. School profiles revealed side-by-side schools educating similar children but producing dissimilar results. Some principals didn't have to be fired; they quit out of embarrassment.

To help principals survive the unflinching accountability, Paige gave them new powers to run their schools and the resources to run unprecedented experiments in preschool. This provided inner-city children with an early dose of academics that many preschool activists consider premature for young children. But it worked.

Paige appeared to truly understand the finding of the National Reading Panel that reading isn't just a matter of phonics vs. whole language. What's needed, the panel said, is a year-by-year sequencing system that uses phonics to move children from sound associations into reading literature. That reading program was mandated in every school, which helped solve some of the continuity problems generated by the fact that poor families change living arrangements more often than middle-class families. High mobility typically lowers school performance.

Within a few years, Paige's district—which was 66 percent poor, 54 percent Hispanic, and 33 percent African-American—was headed in a direction few had thought possible. In almost every grade and every subject, Houston's progress is greater than the state average. The numbers are stunning. Between 1993 and 1999, the number of low-performing schools dropped from 48 to 18; the number of schools rated as exemplary rose from zero to 11. Most significantly, minority students in Houston began outscoring minority students in far wealthier neighboring districts.

> The biggest challenge to urban school reform is the awful pull of poverty, especially concentrated poverty. In high-poverty schools, students are a full three grades behind the students in low-poverty schools.

Voucher debate. Aside from the efforts in Charlotte, Sacramento, and Houston, the tools used by urban educators aren't always the tools thought to be most promising only a few years ago. For instance, most conservative educators assumed there would be no urban successes without vouchers. A voucher experiment got off to a promising start in Pensacola, Fla., but then sputtered as other endangered schools managed to escape the list of failing schools. In Cleveland, a poorly planned voucher program that seemed to miss the neediest students has produced negligible gains. Smaller voucher experiments produced modest gains only for African-American students.

Milwaukee, site of the nation's largest experiment in public vouchers, is rated a success in a societal sense, with more parents willing to forego fleeing to the suburbs. But the definitive study on academic gains there has yet to appear.

Charter schools are proving to have a far more significant impact on school reform than voucher programs. In cities such as Dayton, Ohio, 15 percent of the students attend charter schools, which has triggered closures of some regular public schools. There are similar numbers in Kansas City, Mo. Nationally, about 2,400 charter schools educate nearly 600,000 students. But those schools have yet to prove they are clear academic winners. And poor oversight of charter schools in states such as Ohio has allowed an aura of fiscal irresponsibility to taint the charter movement.

A key reform tool favored five years ago was abolishing social promotion in urban districts. That was championed in Chicago after Mayor Richard Daley in 1995 took over what had been dubbed the worst school system in the country. Indeed, holding back students and requiring summer school for underperforming students had a quick payoff in rising test scores.

But in more recent years, test scores have either plateaued or moved in dips and rises. And the Consortium on Chicago School Research reports that sixth-graders who are retained—and especially those who are retained for two years—made smaller academic gains over the next three years than comparable students who won social promotions.

The problem in Chicago is the problem elsewhere—sustaining the gains from year to year. Making students proficient in basic skills is proving to be a lot easier than closing learning gaps with suburban districts. Educators call that "picking the low-hanging fruit." But unless Houston-level gains start appearing in other cities, overall urban reform will remain an elusive goal. ◆

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Expand national service, not bureaucracy

Why the Bayh-McCain bill gets us there faster.

> *by* **Marc Magee** *and* **Steven J. Nider**

In a time of national emergency and uncertainty, Americans are eager to serve their country. Nowhere has this been more evident than in the impulse to national service: Applications for AmeriCorps have jumped 50 percent since Sept. 11, those for the Peace Corps have doubled, and those for Teach for America— a corps of recent college graduates who commit to teach in urban and rural schools for two years—have tripled. Matching the desire to serve with an opportunity for service is now a national priority, but expanding service to meet homeland security needs has become a matter of competing political initiatives in Congress.

Two proposals are under debate: one introduced by Sens. Evan Bayh (D-Ind.) and John McCain (R-Ariz.), and another proposed by the White House. While President Bush should be commended for lending his support to this expansion of the opportunities for service in homeland security projects, there is no question that the Bayh-McCain bill more effectively accomplishes this goal. It will be quicker and less costly to implement, better able to support a wide range of homeland security projects, and more likely to succeed because it builds on what already works.

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The two proposals rely on very different organizing principles. While Bayh-McCain seeks to expand the existing network of service projects to tackle the new challenges of homeland security, the White House plan seeks to create a new service network exclusively for homeland security. There are three strong reasons why Bayh-McCain is better.

The first is that the Bayh-McCain proposal could be implemented more quickly and at less cost. Rather than starting from scratch, Bayh-McCain expands an existing domestic service program, AmeriCorps. The plan would quickly increase the number of homeland security service projects by using the small national office already in place to organize and provide support for these new programs. It would also take advantage of the existing network of governor-appointed state commissions to distribute new funds to community groups.

By contrast, the White House plan places the entire burden of expanding service in homeland security projects on a new infrastructure to be called Citizens Corps. To help recruit and organize service members for these different projects, the White House proposal calls for the creation of a 10- to 15-member Citizen Corps Council in each city or town in America, with the total number of councils reaching into the tens of thousands when fully implemented. Building this duplicate nationwide service network would require a significant expansion of personnel at the Federal Emergency Management Agency, the organization charged with managing this new Citizen Corps initiative. It would also require a substantial amount of time before it would be fully in place. While the Bayh-McCain bill directs all of the money into homeland security projects, the White House plan spends $144 million just to build the new bureaucracy, on top of the program costs of $230 million.

EMERGENCY KNOW-HOW: AmeriCorps workers have wide experience with disaster relief and other jobs. Why change it?

The second reason that the Bayh-McCain proposal is better is that it supports a wider range of projects than does the White House proposal. While the AmeriCorps program provides funding for a great variety of service projects and is currently partnered with both government and nonprofit groups to meet a range of different needs, the White House plan is much more narrow. Organized under FEMA, the White House service plan focuses exclusively on disaster relief, which is only one of the four homeland security areas identified in Bush's proposal for a Department of Homeland

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Security. By contrast, building on a program focused exclusively on service, the Bayh-McCain plan allows for flexibility to expand service projects in all areas of homeland security.

Third, Bayh-McCain is more likely to succeed because it builds on what is already working. AmeriCorps has a history of success in many of the kinds of projects that will be at the core of any robust homeland security service initiative. For example, members of the National Civilian Community Corps—a key component of AmeriCorps—are trained and certified for CPR, first aid, disaster relief, damage assessment, and family assistance. They function as part of the American Red Cross National Disaster Response Network. NCCC has standing agreements with both the Red Cross and FEMA to provide support to communities during times of national disaster and to coordinate transportation, lodging, and meals for corps members during these relief efforts. Since 1993 NCCC has responded to more than 60 disasters, including the attacks on the World Trade Center and the Pentagon on Sept. 11. Walt Michaels, director of disaster services preparedness at the American Red Cross, has said that "the overwhelming success of the partnership between the NCCC and the Red Cross demonstrates that this model can and should be extended to the larger network of AmeriCorps programs across the country."

By contrast, the White House proposal places the burden of organizing homeland security projects on FEMA, which has experience only in providing training to service members; it assigns the task of distributing grants to a network of Citizen Corps Councils that does not even exist. Thus, this Citizen Corps initiative, if implemented, would experience the inevitable growing pains and missteps of a new federal bureaucracy.

As Congress seeks to expand opportunities for Americans to serve in the collective efforts of homeland security, the Bayh-McCain proposal provides an efficient approach grounded in a record of success. There is no need to reinvent a very good wheel. ●

OUSTING THE DICTATOR: Persuading Iraqis that Saddam's days are numbered could push them to shift loyalties.

Tipping Saddam

With a graduated build-up of U.S. forces, Saddam's domestic supporters could begin to desert him, toppling the regime.

by **Jonathan Crane**

The Bush administration appears to be struggling to find a strategy to oust Saddam Hussein. It is hesitant to mount a full-scale invasion, which could result in heavy casualties and further alienate us from the rest of the Islamic world. Yet the administration is skeptical that any lesser alternative, such as an insurgency backed by U.S. special forces, would work.

Tipping theory, one of the hottest ideas in social science, suggests that a hybrid strategy might do the job. Pioneered by an economist named Thomas Schelling, who is rumored to be a candidate for the Nobel Prize, tipping theory attempts to explain social change that happens rapidly and suddenly, rather than slowly and continuously. Although typically applied to social problems, such as crime waves, the theory can explain political and military events.

The course of the war in Afghanistan is a classic example of the tipping phenomenon. We pounded the Taliban for

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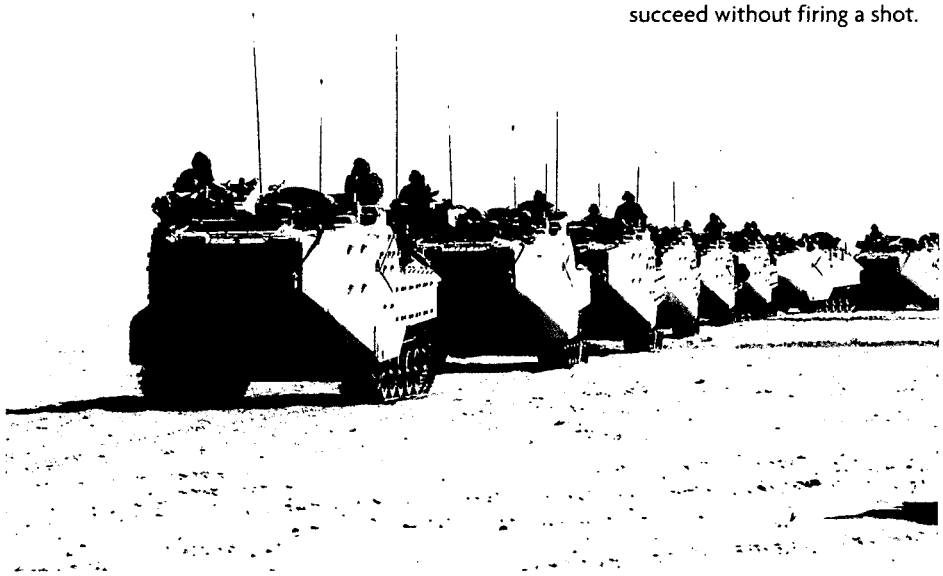

BUILDING PRESSURE: By surrounding Iraq with offensive might, like these U.S. Marine vehicles used in 1991, we might succeed without firing a shot.

weeks, using everything from cruise missiles to cavalry charges. It appeared that we were making little or no progress. Then Mazar-e-Sharif fell, and the entire regime collapsed within a few days.

Tipping theory is based on a mathematical model, but the basic idea is simple. Here is how it would explain the unfolding of events in Afghanistan: The Taliban was comprised of heterogeneous individuals, each with a unique view of his prospects for victory and a unique level of commitment to the cause. When the war began, a few deserted, perhaps because their loyalty was based purely upon expediency. When our efforts appeared to stall in the first few weeks, desertions slowed. But with the capture of Mazar-e-Sharif, they suddenly increased. Each new desertion made the probability of defeat seem a little larger to remaining Taliban fighters. Those who were only slightly more committed than the first wave of deserters then fled, causing others to re-evaluate and flee, and so on, creating a cascade of demoralization. In the end, only those who were willing to die for the cause were left.

> We must persuade Iraqis, particularly in the military, of the inevitability of their defeat.

Drawing the lesson. There is little question that the Iraqi regime will be much harder to topple than the Taliban. Yet before Mazar-e-Sharif, there was much talk of being bogged down in a quagmire. Tipping theory may seem like little more than common sense, but one important insight that the mathematics yields is that situations or institutions that appear to be stable may actually be quite "tippy." In 1985, no one would have guessed that the Soviet Union was on the verge of collapse.

The key is not to copy the Afghanistan strategy for Iraq but to draw a lesson from it. We must persuade Iraqis, particularly in the military, of the inevitability of their defeat. The only way to do this is to convince them that we will, without any doubt, mount a full-scale invasion to remove the ruling regime, if necessary. However, the process of persuading them may generate an epidemic of desertions that will cause the regime to collapse before we have to invade.

A series of deadlines would help convince them. Iraq would have to meet a set of conditions by these dates, and we would specify what actions we would take if the conditions were not met. The final consequence would be a full-scale invasion. The key to this strategy would be to enforce each deadline on the day it expired, without hesitation or compromise. Each deadline would serve to convince more Iraqis that we intended to invade and thus that Saddam's fall was inevitable. This might cause a trickle of desertions that would grow into a torrent. Of course, we could not bluff. Ultimately, if the strategy failed, we would have to invade. So we should only pursue this approach if we are willing to do so.

The consequences should be a sequence of steps leading up to invasion. The final ones before invasion should be an air war, the insertion of special forces in support of an insurgency, and the mobilization of the invasion force. The combination of these measures might be enough to push Iraq past the tipping point. Of course an air war and mobilization were not enough to cause the regime to collapse before the Persian Gulf War. Back then, however, many Iraqis believed in their "Vietnam" strategy, which was to inflict enough casualties to cause us to lose our resolve. Even after the rout, we never announced that toppling the regime was an objective. So the fall of the government never was inevitable.

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In this case, the combination of our declared intention to overthrow Saddam, the examples of the routs in Desert Storm and Afghanistan, the precedence of our meeting a series of deadlines, the pressure of an air war and insurgency, and visible preparations for an invasion would convince many Iraqis that the end was near. It just might cause a cascade of desertions that would lead to the fall of Saddam. ●

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Shooting straight

John Ashcroft would sooner pardon terrorists than pave the way for gun safety legislation. But without meaning to, and for all the wrong reasons, the attorney general has just handed gun safety advocates a golden opportunity to take away the National Rifle Association's best weapon against us. All we have to do is agree with Ashcroft's Justice Department that the Second Amendment gives law-abiding Americans a limited constitutional right to own guns.

In Supreme Court briefs filed in May, the Justice Department argued for the first time that the right to bear arms applies to ordinary citizens, not just members of a "well-regulated militia." A 1939 court precedent held the opposite, that the federal government could ban sawed-off shotguns because militia members don't use them.

Gun control activists pounced on the new reading as just what we should expect from an attorney general whose entire political philosophy can be summed up by the old World War II song, *Praise the Lord and Pass the Ammunition.* Earlier this year, Ashcroft proposed destroying records from criminal background checks for gun purchases within 24 hours instead of the current 90 days. Such a change would make it impossible for law enforcement to stop fraudulent gun sales. While the NRA may not have that desk in the Oval Office it promised in the 2000 campaign, it has at least one chair in the Cabinet Room.

But if Ashcroft is too quick to dismiss every other constitutional right, he's right about this one. Critics of the Justice Department's new stance are missing its two redeeming virtues. First, after years of conservative invective to the contrary, the Bush administration has explicitly conceded the constitutionality of existing federal firearms laws, as well as that of key measures currently stalled in Congress. The Justice Department said the Second Amendment right is "subject to reasonable restrictions designed to prevent possession by unfit persons or to restrict the possession of types of firearms that are particularly suited to criminal misuse." In other words, the Second Amendment leaves room for every measure the NRA has said would destroy it—from Brady background checks to the assault weapons ban to closing the gun show loophole.

The second virtue of the Justice Department's interpretation is that it gives those of us who want to keep guns out of the hands of criminals and children a chance to prove that we really mean it when we tell people we don't want to take their guns away. Gun safety advocates never lose the gun debate on the merits. Most Americans and even most hunters support background checks and other measures by overwhelming margins. The reason we lose gun votes in Congress and gun voters at the ballot box is that the gun lobby makes every measure, no matter how reasonable, sound like a slippery slope to universal disarmament.

As a result, many Democrats are so afraid of scaring off rural voters that they want to abandon the gun issue altogether. That would be a real mistake, especially now that violent crime is going up again after a decade of decline. Agreeing with Ashcroft is a small price to pay for the chance to show gun country once and for all that denying guns to criminals will not take away hunters' way of life.

We will never be certain whether the founders were more concerned about the rights of individuals or of the militia. But after years of insisting that gun safety measures are consistent with Americans' Second Amendment rights, it would be hypocritical for those of us who support such measures to argue that only militia members need apply.

We're far better off affirming that citizens have a right to own guns, but a responsibility to obey the law and not infringe upon other citizens' right to safety. Then we can move on to the battles most Americans want us to win: closing the gun-show loophole, cracking down on youth gun-trafficking, speeding up criminal background checks by bringing state records into the Information Age, and holding the Bush administration accountable for dramatically expanding federal gun crime enforcement.

As President Clinton's point man on guns, I never got the chance to see Charlton Heston bring NRA convention-goers to their feet by saying that if the government wanted to take away his gun, they'd have to pry it from his cold, dead hands. Let Ashcroft pander and Heston keep his gun. If we can holster the notion that the government can take your guns away, we can get back to the business of making America a safer country—and the only thing cold and dead will be the NRA's case against us. ◆

Bruce Reed is president of the Democratic Leadership Council and was President Clinton's domestic policy adviser.

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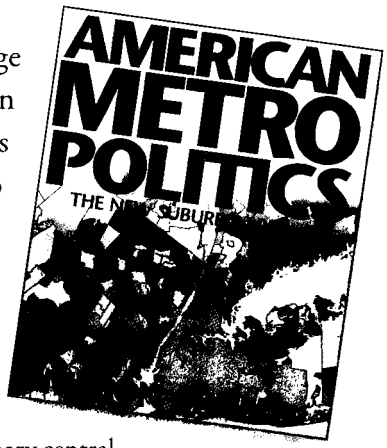
Rethinking urbanism



AMERICAN METROPOLITICS: The New Suburban Reality
by Myron Orfield • Brookings Institution • 221 pp. • $29.95

> *by* **Robert D. Atkinson** || For decades, from the passage of the Housing Act of 1949 to the Carter administration's Urban Development Action Grant program, urban policy advocates have looked to the federal government as the principal way to help revitalize cities. But two major changes have occurred that have led urbanists to rethink their strategy. First, the federal government's role in urban policy has receded, despite several Clinton administration initiatives, such as empowerment zones and community development banks. Second, the old model of needy central cities surrounded by prosperous bedroom suburbs has given way to a new, more complex mosaic of urban geography.

As a result, urbanists have shifted their sights to the state and metropolitan level. They realize that the chances of a re-energized urban policy coming from Washington are small, especially with a Republican-controlled House and presidency. In addition, because the object of their concern now includes not just central cities but also needy suburban communities, they justify intervening by arguing that their policy goals of "smart growth" and a strong urban core are good for the entire metropolitan area.

Myron Orfield's first book, *American Metropolitics: The New Suburban Reality*, builds on this new framework and attempts to broaden the traditional definition of urban policy to include the suburbs. Orfield, a Democratic state senator from Minnesota, has made a name for himself as "the master cartographer of metropolitan America's changing demographics." Through a wide array of statistical data, including fiscal capacity, poverty, and school populations, Orfield creates a typology of metro communities and illustrates the new metropolitan mosaic through a fascinating series of maps of several metro areas. In place of the traditional binary central city/suburban definition, Orfield develops six categories of suburbs: three "at-risk" suburbs—segregated, older, and lower density; a fourth group of developing bedroom suburbs; and both affluent and very affluent job centers. He examines each type of community in detail and considers how issues such as segregation, fiscal equity, and sprawl affect them.

While Orfield has brought analytical sophistication to bear on the issue of how diverse suburbs have become, he goes a step further: With real political acuteness, he links that evolution to the strategy of building metro-wide coalitions to advance a progressive urban policy agenda. Orfield makes a case for three main areas of reform: fiscal equity, including metro-wide tax-base sharing; land-use reform, including coordinated infrastructure planning and regional housing to promote fair-share affordable dwellings; and metropolitan governance reform, including annexation and metro-wide planning.

The bottom line for Orfield is that he wants America's metropolitan areas to have significantly less diversity among jurisdictions in terms of racial makeup, income, tax base, commercial and industrial development, and infrastructure provision. To get there, Orfield falls back on the old liberal solution of transferring resources from the "have" communities to the "have nots." Orfield urges activists to do what he did successfully in the Twin Cities: Build a coalition of the poor and middle-income suburbs and the central city against the rich suburbs.

But there are several problems with Orfield's analysis and approach. Most significant is that in analyzing at-risk suburbs—both the inner core and outer developing edge—Orfield never acknowledges that sometimes, a community's distress is of its own making. Certainly the problems of some older at-risk suburbs and central cities stem from government mismanagement or even outright corruption. For example, as Cory Booker's insurgent campaign for mayor of Newark so clearly demonstrated, Newark has long been synonymous with mismanaged government.

The fiscal problems of fast-growing developing suburbs seem particularly of their own making, since they often refuse to make new development pay its own way. Orfield rejects hefty development impact fees as the solution, instead proposing that wealthy suburbs pay for these development costs through tax-base sharing. But unless strict regional planning controls are instituted, giving

> **Robert D. Atkinson** is vice president of the Progressive Policy Institute and director of its Technology and New Economy Project.

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money to fast-growing suburbs through tax-base sharing would actually exacerbate sprawl since new developments would be subsidized even more than they are now.

This goes to the heart of the major limitation of the book. While Orfield makes a compelling case that at-risk communities would do better if resources were distributed more evenly, his case that this would boost the overall welfare of the entire metro area is on weaker ground. Though he argues persuasively that metropolitan areas would be better off without wasteful and expensive inter-jurisdictional competition to snag the best development opportunities, it's just not clear that his proposals are a win-win for everyone.

But even if Orfield's proposal for broad-scale tax-base sharing goes too far, there are valid reasons regions should consider a more modest version. For example, housing prices in many metro areas are exceptionally high because communities restrict development. New houses often bring new children, whose educations usually cost more than new development brings in tax revenues. As Orfield correctly points out, an over-reliance on the property tax to fund schools results in higher overall housing and development costs. Even with increased federal and state funding, property taxes still account for more than 45 percent of school revenues. Increasing revenue-sharing for education, either by expanding state aid or by metro-wide tax-base sharing, could help convince communities that building middle-class housing is not a money-losing proposition.

Perhaps the most compelling argument Orfield makes is that the ruthless competition among communities to attract commercial and industrial development is a negative-sum game in which communities provide hefty and wasteful tax subsidies to compete for development. In this context, the Twin Cities' tax-base proposal—requiring that a portion of the increase in commercial and industrial property tax revenues be shared (to give all communities an incentive to cooperate in the economic development of the region)—makes good sense. As a result, if shared tax-base revenue goes to schools and is collected from industrial and commercial property, it can lead to an increase in overall welfare.

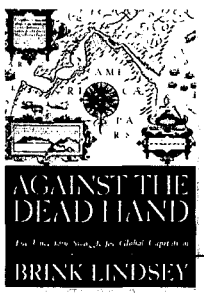
There's no question there is a new metropolitan geography in the New Economy, and Orfield does an excellent job of describing it. As businesses spread throughout the entire metropolitan area and low-income residents are no longer concentrated in just the central cities, policymakers and elected officials need to deal with a more complex and challenging set of problems. As Orfield points out, increasingly they will need to respond regionally as well. ●

The great globalization debate

> *by* **Fred Siegel** || We are in the midst of a great debate on the past and future of globalization. The debate begins with the recognition that the current global economy is not unprecedented; it's a return to the high levels of world economic integration that blossomed between 1880 and 1914. The first world economy, once assumed to be an irreversible safeguard for peace, was blown apart by 30 years of war and depression. With the collapse of the first world system as the backdrop, the current debate is not between the suits and the anti-WTO anarchists in the streets but among respected economic analysts, all of whom acknowledge the benefits of global trade.

In one corner stand those who argue for the virtues of globalization but fear that, just as in the 1930s, a backlash against free trade could again send the world into a tailspin. The dangers of a backlash are laid out by economic journalist Brink Lindsey in his new book, *Against the Dead Hand: The Uncertain Struggle for Global Capitalism*, and Princeton economic historian Harold James, author of *The End of Globalization: Lessons from the Great Depression.* In the opposite corner are Nobel Prize-winning economist and former Clinton administration and World Bank official Joseph Stiglitz and his policy alter ego, the multibillionaire currency speculator turned critic of global capital markets, George Soros. While Lindsey and James worry about the dangers of the anti-globalist movements, Stiglitz and Soros, who a few years ago predicted "the imminent disintegration" of international capitalism, share some of the anti-globalist critique. Soros, who worries that the instability of global capitalism contains, as in the 1930s, the seeds of its own destruction, speaks for both when he insists that "market fundamentalism is

Continued on page 60



AGAINST THE DEAD HAND: The Uncertain Struggle for Global Capitalism
by Brink Lindsey • Wiley • 336 pps. • $29.95

Fred Siegel is culture editor of BLUEPRINT.

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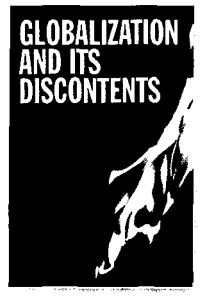
Siegel, *continued from page 59*

today a greater threat to an open society than any totalitarian ideology." The competing camps divide between those who think that it is the volatility of markets themselves, rather than the populist and regulatory responses to that volatility and dislocation, which creates the greatest danger to the benefits of 21st century globalism.



GLOBALIZATION AND ITS DISCONTENTS
by Joseph Stiglitz • Norton • 267 pps. • $24.95

Both Lindsey and James describe the evolution of 19th century globalism with its irenic vision of free trade as the solvent for war and imperialism. In an 1846 speech given in Manchester, then the center of the British trans-Atlantic textile industry, the British liberal Richard Cobden laid out his vision: "I see in the principle of free trade" a force that draws "men together, thrusting aside the antagonism of race, and creed and language, and uniting us in the bonds of eternal peace." For the next half-century it looked as though Cobden's vision would prevail. By the late 19th century, globalization seemed irreversible. Investment, information, industrial goods, and food supplies moved freely between nations and across seas. Immigrants moved freely across borders without the need for passports. In 1913, writes Lindsey, "Merchandise trade as a percentage of gross output was about 12 percent for the industrialized countries. They did not match that level of export performance again until the 1980s." The British liberal Norman Angell, writing in a celebrated 1911 book, *The Great Illusion,* which was translated into 18 languages, argued to widespread applause that "internationalism had made states so dependent on the bond market" that they couldn't afford to even consider war. Three years later, World War I began initiating a period of war and totalitarianism, known as the short 20th century, that lasted until 1989.

What went wrong? Karl Polanyi, a historian much in favor with Soros and the critics of globalization, blames free markets. He argued in 1944 that "the origins of the cataclysm lay in the utopian endeavor of economic liberalism to set up a self-regulating market system." Lindsey disagrees. He blames the centralizing impulses of what he calls the "industrial counter-revolution" that "swept up reformers and revolutionaries, the religious and the anticlerical, social activists and big businessmen, workers and capitalists." It gave birth, he argues, to "the welfare and regulatory state; the mixed economy of social democracy; the business-led associative state; Keynesian fine-tuning; the Galbraithean new industrial state; the developmental states of the Third World; and the totalitarian states, whether communist, fascist, or Nazi." This is an overly broad brush, suggestive of the argument in Frederick Hayek's *The Road to Serfdom,* which saw 1940s Britain on the slippery slope to totalitarianism. By lumping the welfare state together with Stalinism, Lindsey, who like many economic libertarians finds democracy problematic, obscures the differences between unavoidable adaptations of self-governing societies and the mass mobilizations of authoritarian regimes. There are in fact numerous notches along the slippery slope to hell because, as Keynes explained, "Dangerous acts can be done safely in a community which thinks and feels rightly, which would be the way to hell if executed by those who think and feel wrongly."

> "The counter-revolution," writes Lindsey all too disdainfully, "promised to both restore community and achieve material prosperity for all."

Still, there's something to Lindsey's argument. He's right: The socialists were not alone in assuming that the growth of industrial monopolies demanded a growth in government power. "The true pacemakers of socialism were not the intellectuals or the agitators," argued economist Joseph Schumpeter, "but the Vanderbilts, Carnegies and Rockefellers." Schumpeter might have been thinking of George Perkins of J.P. Morgan and Company, who explained, "I do not believe that competition is any longer the life of trade. ... I believe in cooperation and organization ... for both labor and capital .... under strict regulation and control of the federal government." Teddy Roosevelt, an admirer of Bismarck, concurred, insisting, "This country has more to learn from Germany than any other nation ... [about] that species of socialized government action which is absolutely necessary for individual protection and general well-being under the conditions of modern industrialism."

For those citizens displaced or disoriented by rapid industrialization, the "counter-revolution" attempted to recreate a sense of local community on a national level. "The counter-revolution," writes Lindsey all too disdainfully, "promised to both restore community and achieve material prosperity for all." Harold James takes up some of the same points but without the polemical edge.

James shows how "the very successes of open global trade, investment, and migration bred increasing demands for trade protection and restricted emigration." In fact, the modern nation-state "was a response to the challenges of the first wave of globalization." As the advanced nations democratized, group after group turned to government to shield them from the underside of the international economy. Businessmen insisted that central banks use discount rates and reserve funds to restrain volatile short-term capital movements. Labor unions, their bargaining power undercut by the arrival of low-wage workers, turned to the state to restrict immigration. Farmers and businessmen hurt by

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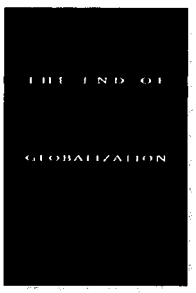
foreign competition pressured government to restrict imports through the use of tariffs and quotas. And workers of all sorts looked to a government-financed and administered welfare state to protect them against the oscillations of the market. The result time and again was the growth of state power, not only to restore community, as Lindsey would have it, but also to simply provide a measure of stability.

The first world system came to an end with the Great Depression when it was widely assumed that capitalism and democracy had failed. The backlash against liberalism, explains James, identified "globalism with change and sin and held that moral regeneration required national cultures" purged of foreign influence. Even the liberal Keynes shared in the mood in his essay "National Self-Sufficiency," written in 1933: "Let goods be homespun whenever it is reasonably and conveniently possible; and above all let finance be primarily national." In the German version of national self-sufficiency, the job of the state was to externalize the cost of economic instability, by force if necessary, on to foreigners.



THE END OF GLOBALIZATION: Lessons from the Great Depression
by Harold James • Harvard • 220 pps. • $39.95

Communism was already ahead of the curve in this game since, as Lindsey explains, "if a nation's economic life is to come under central control, that control must extend to the nation's connections with the outside world."

While the Lindsey and James books are haunted by the memory of the 1930s, Stiglitz, a man of neo-Keynesian ideas and populist instincts, is haunted by the scenes of Third World poverty he has seen around the globe. His villains are what he calls "market fundamentalism" and its institutional agents, the United States government and the International Monetary Fund (IMF). Stiglitz scores points on both fronts. He skewers the "inequities and hypocrisies of American government policies" that preach free trade to developing countries but then, as with the recent farm subsidies bill, too often practice protectionism. Like the anti-WTO protesters with whom he sometimes identifies, Stiglitz rightly accuses the IMF of an "arrogant," "recipebook," "checklist" approach to the problems of poor countries that ignores the specificity of their situations.

But Stiglitz's own account of particular countries doesn't inspire confidence in his grasp of the specifics. In a much-cited article ("Argentina: Why the Nation That Followed the Rules Fell to Pieces"), he argues that Argentina "did everything right." Its economy only collapsed, he insists with the fervor of Ahab pursuing the whale, because of the rigid exchange rate policies imposed by the IMF. Stiglitz's Argentina, troubled neither by "budget profligacy or corruption," bears little resemblance to a country where almost half the workers in some provinces are on the government payroll, where the Mussolini-style labor codes imposed by Peron make it almost impossible to either fire people or create new jobs, where tax avoidance is a way of life, where the rule of law is a foreign concept, and where foreign banks face criminal sanctions if they fail.

When it comes to foreign aid, Stiglitz insists that it can be successful but gives few examples and never takes up the arguments of the late P.T. Bauer or, more recently, William Easterly that show that foreign aid has often done more harm than good. Similarly on the question of another of his bête noires, capital flows, his nearly apocalyptic account of the East Asia crisis of 1997 is hardly borne out by, for instance, the roaring revival of the South Korean economy.

James shares much of Stiglitz's critique of the IMF but notes that Stiglitz's skepticism fades when it comes to the competence of unelected Third World governments. Looking ahead, James is optimistic; he doesn't see a recurrence of the 1930s, noting that experiments in "economic heterodoxy," as in Mitterand's France and Schroeder's Germany under finance minister Oskar Lafontaine, have had to be quickly abandoned. To be sure, as the WTO demonstrations and recent European elections suggest, there is something of a contemporary backlash against immigration, trade, and capital flows. But unlike in the 1930s, when the critics of capitalism could point to seemingly successful regimes in Germany and Russia, today there is no alternative model available. The rage against the West shared by many WTO protesters and by the Islamists isolates the protesters even more than it empowers them.

"Stiglitz, a man of neo-Keynesian ideas and populist instincts, is haunted by the scenes of Third World poverty he has seen around the globe."

But, nonetheless, war—even a war against terrorism, begun after these books were written—brings uncertainty. I would argue that war itself explains the course of the 20th century far better than either the political backlashes James discusses or Lindsey's ideological counter-revolution. War is an inherently collective activity in which the fast must march at the same pace as the slow. It's World War I that brought not just social welfare measures but the planning with a vengeance that became the model for both the Nazi and Soviet economies. War requires, as we saw in the wake of 9/11, the redundancies of fail-safe measures; economic efficiency, notes historian Jim Chapin, is a benefit of peacetime. The extraordinary efficiencies of just-in-time production were an artifact of a time when the Cold War was winding down and the war on terror had yet to begin. The questions ahead involve the ways in which the war on terror will unavoidably interfere with the free movement of people and goods. ◆

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Building a new majority

In the 1990s, New Democrats ended our party's losing streak in presidential elections and leveled the national political playing field. We moved our party to the brink of a new majority. To achieve that in this decade, we need to rededicate ourselves to the New Democrat course that was the key to our progress in the last decade.

That means we must tackle three challenges.

First, we need to repel President Bush's efforts to capture key swing voters in the vital center of the political spectrum—voters President Clinton won by putting New Democrat ideas into action. Those centrist, swing voters decide national elections, and President Bush has made them the target of his political strategy.

That's why the president wants to be known as a "compassionate conservative"—his version of New Democrat. And that's why a big part of his strategy is to co-opt—steal, if you will—key New Democrat ideas, including national service, which Republicans in Congress voted to end every year of the Clinton administration.

While we welcome the president's moving in our direction on some issues, we cannot allow him to take away the political turf we worked so hard to cultivate.

Second, we have to arrest an alarming trend in recent public opinion polls: the re-emergence of the old perception that our party has the compassion to care but lacks the toughness to govern. In the June Gallup Poll, for example, Republicans had a 36-point advantage on defense issues, a 32-point advantage on terrorism, a 21-point edge on moral values, a 9-point lead on the economy, and smaller leads on guns, taxes, and the budget deficit. Democrats have a 6-point lead on education and bigger advantages on Social Security, a patient's bill of rights, prescription drugs, and the environment.

Voters are once again viewing the two parties as they did in the pre-Clinton days: seeing the Democrats as the "mommy" party and Republicans as the "daddy" party. The problem: Voters look to the "daddy" party for national leadership and the "mommy" party for comfort. Those perceptions may not be the end of the world in this fall's congressional elections, since voters look to Congress for comfort. But, if they persist, they will certainly spell disaster in the race for the White House in 2004.

That's why Democrats can't simply ignore issues like terrorism and the economy and concentrate instead on old standbys like social security, prescription drugs, education, and the environment, as some of our best-known political strategists would suggest.

Third, we need to transcend the polarizing pressures that could result from congressional redistricting. In state after state, by bipartisan agreement, Democratic districts are becoming more Democratic and Republican districts more Republican, while marginal, swing districts are being virtually eliminated. Analyst Charlie Cook lists only 11 House seats out of 435 nationally as tossups in 2002.

For the next decade, more congressional elections are likely to be decided in primaries. That's not good for New Democrats, whose greatest advantage is that they are the only Democrats who can win critical moderate and independent voters in swing districts. And it strengthens the hands of Democrats on the left and Republicans on the right, because to win primaries they don't have to appeal to independents or voters of the other party.

As a result, while America is becoming more moderate and less partisan, Congress is likely to become even more polarized.

All of this makes it critical that we reinvigorate the New Democrat movement. If we're going to avoid a return to the political patterns of the 1980s, when Republicans had a lock on the White House and dominated the national political agenda, New Democrats must redirect our party again, just as we did a dozen years ago.

That means a return to the fundamentals of our movement: strengthening national and domestic defense and making America the safest big country on earth; growing the economy and expanding opportunity; pursuing policies that reflect the values most Americans believe in—work, family, responsibility, freedom, faith, tolerance, and inclusion; promoting an ethic of mutual responsibility; and consistently modernizing and reforming government.

Security, opportunity, responsibility, reform—those four words should be our mantra.

Powerful ideas can keep us one step ahead of President Bush's idea thievery, stop the re-emergence of pre-Clinton perceptions of our party, and transcend the forces that would polarize our politics.

Once again, we must win the battle of ideas. We may never be able to outmuscle the forces that would move our party backward, but we can outthink them. ●

Al From is founder and CEO of the Democratic Leadership Council.

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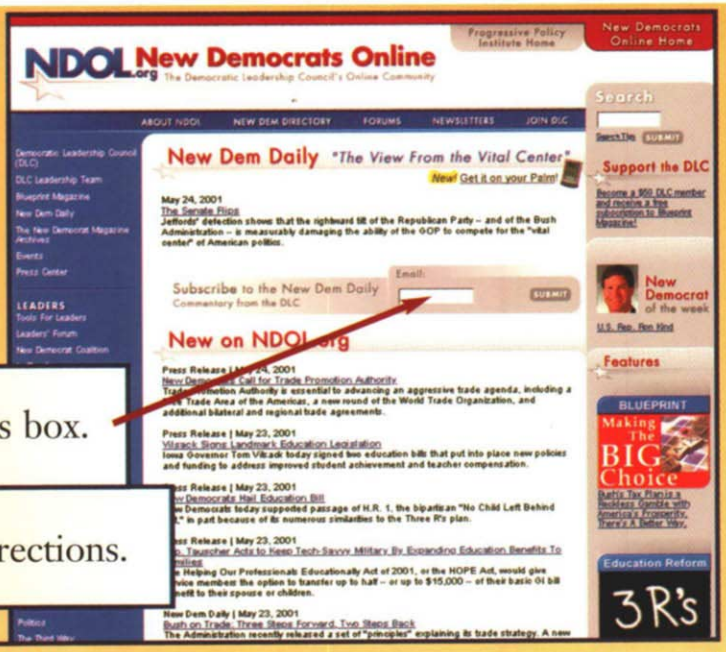
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